

STATE OF NEW HAMPSHIRE
SITE EVALUATION COMMITTEE

November 20, 2017 - 1:55 p.m. **DAY 62**
49 Donovan Street **Afternoon Session ONLY**
Concord, New Hampshire

{Electronically filed with SEC 11-30-17}

IN RE: SEC DOCKET NO. 2015-06
NORTHERN PASS TRANSMISSION -
EVERSOURCE; Joint Application of
Northern Pass Transmission LLC and
Public Service of New Hampshire d/b/a
Eversource Energy for a
Certificate of Site and Facility
(Hearing on the Merits)

PRESENT FOR SUBCOMMITTEE/SITE EVALUATION COMMITTEE:

Chmn. Martin Honigberg <i>(Presiding Officer)</i>	Public Utilities Comm.
Cmsr. Kathryn M. Bailey	Public Utilities Comm.
Dir. Craig Wright, Designee	Dept. of Environ. Serv.
Christopher Way, Designee	Dept. of Business & Economic Affairs.
William Oldenburg, Designee	Dept. of Transportation
Patricia Weathersby	Public Member
Rachel Dandeneau	Alternate Public Member

ALSO PRESENT FOR THE SEC:

Michael J. Iacopino, Esq. Counsel for SEC
Iryna Dore, Esq. Counsel for SEC
(Brennan, Caron, Lenehan & Iacopino)

Pamela G. Monroe, SEC Administrator

(No Appearances Taken)

COURT REPORTER: Cynthia Foster, LCR No. 14

I N D E X

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P R O C E E D I N G S

(Hearing resumed at 1:55 p.m.)

PRESIDING OFFICER HONIGBERG: We're back.
We have a new witness prepositioned, and I think
he just needs to be sworn in.

(Whereupon, **George Sansoucy** was duly sworn
by the Court Reporter.)

GEORGE SANSOUCY, DULY SWORN

PRESIDING OFFICER HONIGBERG: Mr. Whitley.
You may proceed.

MR. WHITLEY: Thank you, Mr. Chair.

DIRECT EXAMINATION

BY MR. WHITLEY:

Q Afternoon, Mr. Sansoucy.

A Afternoon, Mr. Whitley.

Q Do you want to introduce yourself for the
record, please?

A My name is George Sansoucy.

Q And you work for a firm?

A I work for my own firm, George Sansoucy, P.E.,
LLC, in Lancaster, New Hampshire.

Q Thank you. You have submitted several Prefiled
Testimonies with a number of exhibits to all of
those testimonies.

1 A Correct.

2 Q Yes. I'm going to hand you the Exhibit List for
3 George Sansoucy for Tracks 1 and 2, and I want
4 you to take a look at this, and I believe you've
5 looked at it previously, but I want you to take
6 a look at it because we're going to have you
7 swear to and adopt your various testimonies and
8 exhibits as well. So just one second.

9 For the benefit of the Committee and just
10 the other people in the room, other than having
11 Mr. Sansoucy go through each one of these and
12 adopt them, you know, I thought it would be more
13 efficient to have him confirm that he's reviewed
14 this document, that it's accurate, and have him
15 adopt and affirm to the document as a whole, and
16 then we'll submit this as an exhibit. It will
17 be SAN 44 which we'll submit to the listserv.

18 PRESIDING OFFICER HONIGBERG: So that's all
19 of the ones that were attached? Is that what
20 you're saying?

21 MR. WHITLEY: So I guess I don't understand
22 your question, Mr. Chair.

23 PRESIDING OFFICER HONIGBERG: Try me again
24 because I don't think I understood what you

1 said.

2 MR. WHITLEY: Okay.

3 PRESIDING OFFICER HONIGBERG: Explain it to
4 me again.

5 MR. WHITLEY: Okay. So rather than go
6 through each one of these, and there's 40.

7 PRESIDING OFFICER HONIGBERG: The "these"
8 in that sentence refers to?

9 MR. WHITLEY: Okay. It refers to his
10 various Prefiled Testimonies as well as the
11 exhibits that he sponsored and correspond to all
12 of those testimonies.

13 PRESIDING OFFICER HONIGBERG: And the
14 document you're holding in your hand is itself
15 an exhibit?

16 MR. WHITLEY: It is not yet, but it will be
17 submitted as an Exhibit. It will be SAN 44.

18 PRESIDING OFFICER HONIGBERG: Got it.

19 BY MR. WHITLEY:

20 Q So Mr. Sansoucy, have you looked at this
21 document previously?

22 A Yes, I have.

23 Q And are all of your testimonies noted in this
24 document?

1 A Yes. All of them are. The only exception is
2 there are two exhibits that are not noted that
3 are in the testimony that may or may not be
4 used.

5 Q Okay. And you're referring to your exhibits
6 number 22 and 23, correct?

7 A Yes. That's correct.

8 Q Okay. And there is an errata which is the very
9 last exhibit, which is SAN 43.

10 A Yes.

11 Q And that is an errata to your April 2017
12 testimony, correct?

13 A Yes.

14 Q And do you have any corrections to any of the
15 Prefiled Testimonies that you've submitted?

16 A I did see in preparing and reading a
17 transposition in one of the testimonies
18 regarding megawatts versus kilowatt hours. My
19 office is reviewing that to find it, and we'll
20 provide an errata page tomorrow on that.

21 Q Okay. Other than that correction, are there any
22 others that you feel you need to make?

23 A No.

24 Q Okay. With that correction in mind, do you

1 adopt and swear to your various testimonies as
2 well as the exhibits to those testimonies?

3 A Yes, I do.

4 Q And when I say that, I'm saying as referenced in
5 this list that I've provided to you and that
6 will be marked as SAN 44.

7 A Yes, I do.

8 Q Okay. Thank you.

9 I want to start, Mr. Sansoucy, by asking
10 you some questions about Mr. Chalmers.
11 Mr. Chalmers submitted Supplemental Testimony
12 and have you seen that testimony?

13 A Yes, I have.

14 Q Okay. Mr. Chalmers, and I have a page of it up
15 here on the screen, this is page 14 of his
16 testimony, and I've highlighted there. Do you
17 see that there?

18 A Yes, I do.

19 Q I can blow it up. That's probably a little
20 better.

21 Mr. Chalmers maintains that his
22 retrospective approach is a valid one and is
23 meant to determine embedded value effects, how
24 large they may be, what combination of property

1 and transmission line factors create them. Do
2 you see that?

3 A Yes, I do.

4 Q And it's my understanding that you disagree on
5 the retrospective approach because you feel that
6 it doesn't take into account that the potential
7 impacts are already embedded in the value,
8 correct?

9 A That's one of the reasons, yes.

10 Q Okay. And is there another one?

11 A Yes. A retrospective, in other words, a
12 backwards look at what historically happened
13 over the last 50 years does not tell us what is
14 going to happen in the future when this line is
15 built. So while it's anecdotal, while it's
16 informative in some ways, it ultimately does not
17 address the concern of the impact of
18 constructing something in the future.

19 So I disagree, and I think he and I have a
20 fundamental disagreement on how you measure the
21 impact of any type of development, be it this
22 line or be it an industrial rezoning.

23 Q And my understanding from your own testimony,
24 well, actually let me back up for a second.

1 He states on that last line that his
2 retrospective approach is the only valid
3 approach. Do you agree with that statement?

4 A No. That's his opinion. I disagree.

5 Q Why do you think there are other valid
6 approaches?

7 A First and foremost, I don't believe that the
8 retrospective approach is a valid approach. It
9 is a valid way to look at historical impacts to
10 bring somebody to realize that impacts occur,
11 but looking at the future is what we as
12 appraisers must do, and I believe that the
13 appropriate approach that is valid is to look
14 today. Today we're discussing something that
15 might be built tomorrow. That's a prospective
16 approach. And in doing so, it's going to have
17 an impact of some amount or none tomorrow, and
18 our job is to view, assess and estimate what we
19 believe that impact might be tomorrow.
20 Historical information is fine, it's anecdotal,
21 but it does not address what we need to
22 accomplish going forward.

23 Q And a little later on, Mr. Sansoucy, on the
24 following page, Mr. Chalmers talks about data

1 from the permitting period being an unreliable
2 indicator. Do you see that highlighted portion
3 right there?

4 A Yes, I do.

5 Q And I'm paraphrasing his critique here, but he
6 states that it's not reliable because there's an
7 extended period of time involved so there can be
8 market or design changes, and he says there can
9 be these, and I'm quoting him, strategic efforts
10 by Project and opponents that could influence
11 the marketplace artificially one way or the
12 other.

13 Why do you believe, despite those
14 criticisms, that data from this period can, in
15 fact, be reliable information?

16 A First and foremost, there is an extended
17 permitting period of time. If this were a
18 normal subdivision, 60 day permitting cycle,
19 that is not a long period of time and that would
20 be within the tax year or the valuation year for
21 any municipality.

22 A project of this magnitude spans multiple
23 years that municipalities in the state have to
24 value property and have to make decisions on

1 what these impacts might be. We've been years
2 already dealing with Northern Pass in the North
3 Country, and the initial permitting phase has a
4 very peculiar level of impacts that towns
5 experience, and it isn't just the North Country
6 and it isn't just Northern Pass. If you create
7 a new zoning or if you get a proposal to build
8 an Amazon distribution center in Londonderry in
9 some location, during that permitting phase,
10 there's going to be a tremendous change in the
11 value of properties just from that one proposal.

12 The same thing occurs and has occurred in
13 my experience in the North Country where the
14 initial emotion, the initial concern, the
15 initial reaction has a tendency to have, gyrate
16 properties in and around where the line is
17 going, and the line moved several times so those
18 gyrations occurred several times, and those
19 affect towns and cities. They affect
20 equalization. They affect value.

21 So during the permitting phase you have to
22 be cognizant of these particular impacts that
23 are different than construction impacts.
24 Construction impacts become more permanent.

1 Final impacts become more permanent. But
2 there's a high level of volatility and motion in
3 the permitting phase that towns have to address.
4 An appraiser may feel that they're not relevant
5 to what he's trying to accomplish. We in the
6 municipalities that manage the assessments and
7 the assessing process, we don't have the luxury
8 of saying, you know, 7 years from now I'm going
9 to worry about what the value is. We have to
10 deal with it today for equalization and
11 valuation.

12 So I disagree with that statement. I don't
13 think it represents New Hampshire or the North
14 Country or the mid part of the state. All
15 values are local.

16 Q Thank you. And I take it from your answer that
17 your sense is that that retrospective approach,
18 it misses the realtime effect of project
19 announcement and how that impacts sales values.

20 A Right. I believe I testified that all value is
21 realtime, and that the valuation impacts are
22 realtime as it relates to Northern Pass. It's
23 what is going to be the impact today,
24 postannouncement today and going forward.

1 Retrospective, it's already embedded in the
2 values, it's already embedded in the land values
3 and when you're looking at it in many ways all
4 you're doing is looking at the chatter in the
5 data.

6 Q How does your prospective approach do a better
7 job of capturing that realtime potential impact?

8 A My prospective approach views the reality of how
9 these impacts have grown in the state of New
10 Hampshire. Pre-1980, we didn't even have a tax
11 card that allowed some type of analysis or even
12 a notation of a prospective impact. We were
13 still working with trying to get to the
14 constitutional requirement of equality and fair
15 market value through townwide revaluations which
16 were not then ordered. It has been a growing
17 process. Now with computers and everything
18 else, it's streamlined, it's codified, it's
19 controlled by the DRA. And the DRA, for
20 example, in their regulations even state the
21 easements have to be considered.

22 So it's been something that's growing.
23 Historic data tells us about this growth, about
24 this growth in reporting. It's not a perfect

1 system. Towns that are diligent versus those
2 that aren't. But the impacts are occurring and
3 the prospective approach is that we as
4 appraisers have to make a decision based on
5 data, based on what's happened in the past,
6 knowing the community and the areas, on what the
7 likely impacts are going to be and the extent of
8 those impacts. But we're not going to be able
9 to measure them until it's actually built.
10 That's when you get the true paired sales
11 analysis, now to when it's finished and built
12 and we see the differential.

13 Q And you mentioned the local assessing process,
14 and my understanding is that your opinion is
15 that the tax cards for many of the communities
16 where the corridor already exists, and the one
17 that comes to mind is the Hydro-Quebec Phase II,
18 as an example, those cards show adjustments as a
19 result of the existing corridor, and it's your
20 feeling that that supports and provides an
21 estimate of the impact going forward.

22 A It definitely provides, number one, information
23 that impacts are being recorded, they're being
24 studied and they're being articulated on the tax

1 card. Prior to 1980, those, the pre, the
2 pre-Hydro-Quebec line, the original 230,000-volt
3 twin lines from town of Monroe in Comerford,
4 those weren't even on the tax cards as having
5 any type of impact. It's the modern tax cards
6 that are beginning and modern tax processes,
7 valuation processes, that are picking those up.

8 That begins to tell us legitimate
9 information about these impacts, what other
10 assessors, other communities, other appraisers
11 feel that in that instance, in that locale and
12 in that instance, an impact is occurring, and
13 it's their estimate.

14 Now, the one thing, you mentioned the
15 Hydro-Quebec line, and I think it's very
16 important to note, that what you don't see
17 today, right here in the Concord area, is you
18 don't see major subdivisions and development
19 being built along that line. Even though some
20 of the most beautiful land in our region is near
21 that land, is near that line, especially in the
22 Hopkinton area up on Gould Hill. So you don't
23 see that with each to measure it per se.
24 Because nobody is building along those lines,

1 especially since the big one, since the big
2 one's been built.

3 Q Elsewhere in this testimony, Mr. Chalmers
4 criticizes your claim that there can be
5 secondary and tertiary adjustments as a result
6 of corridors such as this. Do you recall that
7 testimony?

8 A Yes, I do.

9 Q It's my understanding that your sense is that
10 those cards may not have indicated that, but in
11 the future that's going to be a more common
12 occurrence?

13 A I believe so. Yes. That's correct.

14 Q Okay. I want to switch gears now, Mr. Sansoucy,
15 and ask you about the Project design as it
16 travels near the water and sewer facility in the
17 town of Ashland. Are you familiar with the
18 project design in that area?

19 A Yes, I am.

20 Q Have you looked at the -- I think it's the
21 October 2016, the original design for the
22 corridor and the Project in that area?

23 A Yes, I did.

24 Q And have you also seen the more recent August

1 2017 revisions to that design?

2 A Yes, I have.

3 Q Okay. I want to put up now an engineering
4 assessment that was done by Nobis Engineering.
5 Are you familiar with this document?

6 A Yes, I am.

7 Q And just for the record, this document is marked
8 as Joint Muni 201.

9 I've put up here, this is page 3 of the
10 document, and it's Section 1.1, and do you see
11 the highlighted sections there?

12 A Yes, I do.

13 Q And I can blow them up just to make this a
14 little easier.

15 So you see there that the purpose and scope
16 of this report was to identify and assess the
17 baseline conditions at the facility. Is that
18 accurate?

19 A Yes, it is.

20 Q Okay. In that, little later, little further
21 down the scope contemplates further analysis and
22 evaluation regarding any potential impacts. Do
23 you see that as well?

24 A Are you talking the second paragraph now, Steve?

1 Q Yes.

2 A Yes.

3 Q And the last little highlighted section on the
4 bottom of the page.

5 A Yes. Correct.

6 Q Now, I want to go to, well, first, just to give
7 us some context, I'm going to put up a diagram
8 of the facility with the Project running by it.
9 Do you see that on your screen?

10 A Yes, I do.

11 Q And this is Figure 2 of the report that's on
12 page 25.

13 And do you understand that this is the
14 older design that's being shown here?

15 A Yes, it is.

16 Q And I'm going to put up now the revised design
17 that goes along the corridor. Let me zoom in on
18 this. And this is Applicant's Exhibit 200, and
19 this is AOT Plan Sheet 240. Have you seen this
20 before, Mr. Sansoucy?

21 A Yes, I have.

22 Q Okay. So I'll represent to you that the Project
23 made some changes to the design in this area, in
24 part to try to avoid or lessen any impacts to

1 monitoring wells in the vicinity or in the
2 existing corridor.

3 I want to switch back now to the
4 engineering report and the conclusions from that
5 report. This is Section 5.2 of the engineering
6 report, and you see the two highlighted portions
7 there?

8 A Yes, I do.

9 Q Okay. One of them at B states that it remains
10 unconfirmed whether there is any sort of a clay
11 or asphalt liner underneath the lagoons. Is
12 that correct?

13 A It says asphalt. I didn't see clay.

14 Q Oh, I'm sorry. I misspoke. Asphalt. You're
15 right.

16 A I see asphalt, that but there's no confirmation
17 minimization that an asphalt liner exists.

18 Q Okay. And you see a little up above that on
19 paragraph A, and I'll read this into the record,
20 it says based on our assessment, Northern Pass
21 construction activities will not have an adverse
22 effect on the performance of the existing
23 lagoons.

24 Do you see that?

1 A Yes, I do.

2 Q From the scope of this study and your review of
3 the prior and the revised plans, do you believe
4 this conclusion is supported by the scope and
5 the purpose of this study?

6 A I do not.

7 Q And why is that?

8 A The study is largely a preconstruction
9 assessment survey that also identified a concern
10 of the town of Ashland and the Water and Sewer
11 Department to provide some active protection
12 about the top of the monitoring well heads which
13 they did do, but it is not an engineering
14 analysis of the actual construction impacts of
15 the foundation construction and everything
16 related to constructing the new overhead towers
17 that close to those lagoons and the river.

18 Q And if you had done a study to evaluate that,
19 how would you have done it differently?

20 MR. NEEDLEMAN: Objection, Mr. Chair. I
21 don't think this is the subject of his
22 testimony, and I don't think the witness is an
23 expert in environmental issues.

24 PRESIDING OFFICER HONIGBERG: Mr. Whitley?

1 MR. WHITLEY: I don't think he needs to be
2 an expert in environmental issues to assess an
3 engineering analysis. He is an engineer.

4 PRESIDING OFFICER HONIGBERG: He's not that
5 kind of engineer.

6 MR. WHITLEY: No, but he's reviewed the
7 earlier design, he's reviewed revised design.
8 He's familiar with the property. I think he can
9 speak to whether or not he would do this sort of
10 an assessment differently.

11 PRESIDING OFFICER HONIGBERG: I'm going to
12 let him answer, and we'll understand he's not an
13 expert in this. He's an expert in a lot of
14 things, but this isn't one of them.

15 MR. WHITLEY: Okay.

16 BY MR. WHITLEY:

17 Q Do you remember the question, Mr. Sansoucy?

18 A I do remember the question, and I would like to
19 add that I am trained as an environmental and
20 sanitary engineer, and I had the opportunity to
21 build a half a dozen of these lagoons here in
22 the state of New Hampshire over the years as a
23 sewer engineer, including places like Bethlehem,
24 New Hampshire, as an example.

1 PRESIDING OFFICER HONIGBERG: Don't gild
2 the lily, Mr. Sansoucy. You can answer the
3 question.

4 A At a minimum, a series of borings need to be
5 completed, close proximity borings, to determine
6 what is underneath the soil and how far the
7 phreatic line which is the slope of the water
8 that drifts out of the lagoons into the river
9 through ground water, where that line is,
10 whether or not it is a lined lagoon which I
11 doubt based on the fact that it was a 1967
12 construction so I doubt it's actively lined with
13 a plastic liner, and through those borings
14 determine the porosity of the soils.

15 And when they open up that soil for the
16 construction of the foundations, they're going
17 to break that line and they are going to change
18 the flow of that water, and that may have a very
19 significant negative effect on the lagoons, the
20 structural integrity of them and the speed at
21 which the water goes into the river and the
22 quality of that water. That whole analysis
23 would need to be done before the construction.

24 Q Would you want to confirm whether or not the

1 lagoons are lined with anything?

2 A Yes. Part of that would be confirmation.

3 Q Yes. Okay. Thank you. That's all I have,
4 Mr. Chair.

5 PRESIDING OFFICER HONIGBERG: I understand
6 that Ms. Menard is going to be going next.

7 MS. MENARD: Just reorganizing due to
8 Mr. Whitley having covered a few of my
9 questions.

10 **CROSS-EXAMINATION**

11 **BY MS. MENARD:**

12 Q Mr. Sansoucy, I'm Jeanne Menard from the
13 Deerfield Abutter Group.

14 A Good afternoon, Ms. Menard.

15 Q Good afternoon. And I just have a few questions
16 as they relate to Mr. Chalmers' Supplemental
17 Testimony.

18 On page 14, he made a statement on line 8
19 regarding the New Hampshire precedent of similar
20 methodology, and he cites the DSF 85-155
21 Project. That's the New England Hydro Phase II
22 Project as an example of the methodology that he
23 used in his case study work. So do you agree
24 that, well, first of all, have you seen the

1 report of a Mr. Lamprey with regards to the
2 Phase II Project back in 1985? Have you ever
3 had a reason to look at that or see that?

4 A I've seen most all of those reports over the
5 years valuing that line working on it for the
6 various towns and communities. I can't tell you
7 exactly when, but most all of those various
8 reports related to it as well as this bulk
9 supply docket on that line I'm familiar with.

10 Q Okay.

11 A But I can't recite them sitting here today from
12 ten years ago or 15 years ago.

13 Q Okay. If you were to, just hypothetically, if
14 you were to be able to look at Mr. Lamprey's
15 report and Mr. Chalmers' report side by side,
16 and even though let's say the methodology
17 basically is the same, would you be able to
18 recognize any differences in rigor in terms of
19 the quality of the work or the ability to have
20 reliable conclusions when all is said and done?

21 A If the facts, figures, calculations, and
22 analysis is presented correctly in a report, you
23 can ascertain level of rigor generally by the
24 different people doing it. If the facts are

1 there. If they're two summary reports, just
2 executive summaries saying what we did, saying
3 what you did and then demonstrating what you did
4 are two different things.

5 Q Okay. Thank you. I just have a few
6 miscellaneous topics here.

7 Do you agree that appraisers and assessors
8 are familiar with the term "qualified sale"?

9 A Assessors and assessing supervisors are familiar
10 with the qualified sale. Some appraisers are,
11 many are not.

12 Q Okay. The Department of Revenue Administration
13 verifies sales information and assessment
14 information for purposes of determining a town's
15 equalization ratio. Is that correct?

16 A Yes.

17 Q So the notation on a property tax card for a
18 "qualified sale" means that the property
19 transferred satisfied the condition of a valid
20 sale which could be used in a ratio sampling
21 study?

22 MR. NEEDLEMAN: Objection. This may be
23 within the scope but beyond it and certainly an
24 expansion of anything that Mr. Sansoucy has

1 testified about.

2 PRESIDING OFFICER HONIGBERG: Ms. Menard?

3 MS. MENARD: In Mr. Needleman's
4 cross-examination of Mr. Powell, or actually
5 the --

6 PRESIDING OFFICER HONIGBERG: I remember
7 what you're talking about.

8 MS. MENARD: Yes. There was a lengthy
9 discussion with Mr. Powell regarding his, there
10 was the reference of the qualified sale as a
11 basis.

12 PRESIDING OFFICER HONIGBERG: Yes.

13 MS. MENARD: And I want to ask somebody who
14 is familiar and has the expertise with the term
15 "qualified sale," I would just like to ask him
16 some clarifying questions.

17 MR. NEEDLEMAN: Mr. Chair, it's not a new
18 issue. Those questions were asked of Mr. Powell
19 with respect to information he provided in his
20 testimony, and if Mr. Sansoucy wanted to speak
21 to that, he could have.

22 PRESIDING OFFICER HONIGBERG: I'm going to
23 sustain the objection. But Ms. Menard, you're
24 going to be testifying, aren't you?

1 MS. MENARD: Yes.

2 PRESIDING OFFICER HONIGBERG: This is a
3 topic you know something about, isn't it?

4 MS. MENARD: I certainly have opinions.

5 PRESIDING OFFICER HONIGBERG: We know that.
6 But this witness has testified about a lot.

7 MS. MENARD: Yes.

8 PRESIDING OFFICER HONIGBERG: And getting
9 him to help you with another witness's
10 statements or a disagreement that the Applicant
11 had with another witness is beyond what you
12 should be doing with him. You're going to have
13 an opportunity to argue and perhaps testify
14 about what it is you would want to get from him,
15 and in a lot of ways -- well, I'm not going to
16 say the rest of that sentence. But I'm going to
17 sustain the objection.

18 MS. MENARD: Okay.

19 BY MS. MENARD:

20 Q Just as background for this next question, there
21 was extensive discussion on locational factors
22 regarding a case study that I was involved with
23 on 39 Haynes Road. And my question to you, Mr.
24 Sansoucy, is from an assessor's perspective, is

1 a house lot that abuts a substation considered
2 an average site location?

3 MR. NEEDLEMAN: Objection. This is all
4 calling for general testimony and repetition of
5 things that Mr. Sansoucy covered or should have
6 covered.

7 PRESIDING OFFICER HONIGBERG: Ms. Menard,
8 sounds like the same thing. What have you got?

9 MS. MENARD: Well, Mr. Chalmers offered no
10 opinion as the real estate expert so we have an
11 assessor expert that I would like to ascertain
12 whether from an appraisal standpoint this would
13 be, how would that be handled.

14 PRESIDING OFFICER HONIGBERG: I'm going to
15 sustain the objection.

16 BY MS. MENARD:

17 Q One last question. You mentioned earlier with
18 Attorney Whitley your concerns about the
19 backward look for the retrospective case studies
20 and you explained why.

21 In your work experience, do you have the
22 same concerns about using historical like sales
23 data and sales price data to measure a project's
24 effect on subdivisions as opposed to residential

1 properties? Is that argument --

2 A As opposed to, what was first one? As opposed
3 to what?

4 Q You had mentioned your concern about this in the
5 retrospective case studies which have to do with
6 the property appraisals. So Mr. Chalmers
7 similarly used historical data in his HVTL
8 effect on land parcels in and subdivisions. Do
9 you have the same concerns?

10 A My concern is with the age of the data and what
11 the data is saying. As an appraiser, we all use
12 retrospective sales, one year, two years old,
13 three years old. That's how we do appraisals.
14 But we always temper those appraisals with what
15 might happen or what we know is going to happen
16 in the future regarding a particular location.
17 It ultimately is what's going to happen in the
18 future. You can have four comparable sales.
19 You can glean information from them, but you
20 still need to use your judgment on how it
21 affects the actual property that you are
22 valuing.

23 Now, going back 30, 40, 50 years, the
24 Chalmers material goes back, I think, to 1967,

1 some of it. That is in a bygone era generations
2 ago that thought differently, acted differently,
3 reacted differently than today's buying
4 generation and selling generation. While it may
5 be interesting to discuss, I think I testified
6 previously and in my report that it is really
7 not relevant to what we're doing here.

8 Q Thank you very much. That's all I have.

9 PRESIDING OFFICER HONIGBERG: Mr. Pappas.

10 MR. PAPPAS: Thank you, Mr. Chairman.

11 **CROSS-EXAMINATION**

12 **BY MR. PAPPAS:**

13 Q Good afternoon, Mr. Sansoucy. I'm Tom Pappas,
14 and I represent Counsel for the Public in this
15 proceeding.

16 A Good afternoon, Mr. Pappas.

17 Q I want to start by asking you something that you
18 testified earlier this afternoon on Direct. You
19 had indicated that appraisers must make a
20 decision on the likely impact of the Northern
21 Pass Project on tax cards. Do you recall that?

22 A On, yeah, on value, which goes on a tax card.
23 That's correct.

24 Q And have you had occasion to review some of

1 those tax cards?

2 A Yes, I do.

3 Q And what do these decisions tell us?

4 A The petitions tell us at this time what we are
5 not seeing is an actual empirical number that's
6 being put on the tax cards at this time, and I
7 will say I have not looked at certain purchases
8 of land for rights-of-way in the North Country.
9 So appraisers will be looking at that. But at
10 this time, it's not approved. They don't know
11 what the exact layout will ultimately be. It's
12 still premature in the process.

13 The DRA, the Department of Revenue
14 Administration, may at this time not allow those
15 types of adjustments until it's more clear if
16 this Project is going to be built and then what
17 is going to be built. And then I think you're
18 going to begin to see the more diligent
19 appraisers actually trying to quantify that
20 impact even before construction is complete.

21 Q Okay. Let me ask you some questions about
22 impacts from construction of Northern Pass, and
23 I want to start with the underground portion.

24 Now, you had testified there would be

1 impacts on what you describe as flexible
2 utilities. Do you recall that?

3 A Yes, I do.

4 Q What did you mean by the term "flexible
5 utilities"?

6 A Flexible utilities are utilities that can be
7 bent, moved, et cetera. That can be a water
8 line service, a gas line service, cable
9 television in an underground burial without a
10 conduit, or buried electric. These types of
11 utilities that actually can go under it, not
12 necessarily over it, but they can be snuck under
13 it. They're not grade sensitive.

14 Q Okay. Now, you testified that given the depth
15 that the Northern Pass line proposed to be
16 buried, you felt that all of these flexible
17 utilities will be installed under the line; is
18 that right?

19 A The flex utilities are going to be put under the
20 line because the line is too shallow. They put
21 them on top and they're going to get broken.

22 Q Is that why you think they're going to go under
23 the line?

24 A Yes. It's too shallow. The frost line, they'll

1 be in the frost line, and they're going to get
2 busted.

3 Q And so you testified that you thought that the
4 installation of these flexible utilities would
5 be more expensive. Do you recall that?

6 A Yes.

7 Q And one of the things you cited was added
8 expense for the need for engineering plans. Do
9 you recall that?

10 A Added expense for what, Mr. Pappas?

11 Q The need for engineered plans.

12 A Yes.

13 Q Are engineered plans currently required? Or is
14 there going to be a difference?

15 A No. They're not currently required, but the
16 best analogy is a railroad, and you don't run
17 anything under or around or through a railroad
18 without plans, people, specs, and permits, and
19 you're going to have the same pressures on you
20 from the electric company in doing anything
21 around these utilities because of the magnitude
22 of the voltage and everything else.

23 Q You also indicated that another additional
24 expense will be contractor costs. Do you recall

1 that?

2 A Yes, I do.

3 Q Why do you think the cost of contractors is
4 going to be more expensive?

5 A They're going to have to work more carefully
6 around the line. One of the loaded questions
7 still is if the line, is the line going to be
8 encased in concrete so the bottom doesn't fall
9 out because they're going to be working under it
10 more often than on it. The contractors are
11 going to have to be working with the company.
12 The company is going to have at some point
13 inspectors of some kind that are going to be
14 watching because they don't want the line harmed
15 in any fashion for obvious reasons. And then
16 their backfilling techniques, their repaving
17 techniques and everything else are going to have
18 to be done at a higher level of diligence.

19 Q So you think it's going to be more expensive
20 construction because you're going under this
21 line?

22 A Under and just, operating around 300,000 volts
23 in the street of these towns is going to be more
24 expensive plus it will be more expensive to go

1 under it.

2 Q Now, you mentioned additional oversight by the
3 company. You mean Eversource or one of its
4 subsidiaries?

5 A Whoever the final builder and owner is and
6 whoever they subcontract to, those overseers are
7 going to cost money. It's going to cost them
8 money to cut in and around that line.

9 Q Do you have an opinion as to who is going to pay
10 for those overseers? Will it be the utility
11 itself or do you think they're going to try to
12 charge someone to build construction around it?

13 A In my experience, once a utility or a railroad,
14 for example, is in the ground, if you are going
15 to impact it, if you're going to work around it,
16 there's going to be conditions where you have to
17 call them, you're going to pay for it. I've
18 never seen the owner of the utility and/or
19 railroad pay the bill.

20 Q Okay. Now, you also testified that the presence
21 of the Northern Pass line will also impact what
22 you described as "nonflexible utilities." Do
23 you recall that?

24 A Yes, I did.

1 Q Tell us what you meant by nonflexible utilities.

2 A Nonflexible utilities. These are the more
3 critical utilities and the larger ones, and
4 these start with all your drainage systems, your
5 large diameter concrete drainage systems that
6 drain water back and forth across the street,
7 around the gutters and drainage off of the road
8 into the storm drain system. These are large
9 diameter. They are grade sensitive. They're
10 linear, they're direct and they have to follow
11 grade and pitch. They're nonflexible.

12 The second nonflexible utility is going to
13 be water mains simply because water mains are
14 laid fundamentally straight and they have very
15 slight bends in them, they cannot go above this
16 line. They are going to end up going much
17 deeper under the line, and with that they're
18 going to have to go down and come back up when
19 they go to cross underneath the line. So they
20 are going to be impacted because they're going
21 to have more bends in them.

22 And then, of course, the most important one
23 is the town sewer lines, the town sewer lines
24 that are going to intersect the bottom or the

1 side of this line, that can't go through the
2 line. Once this line is buried, once the
3 electric line is buried, it's not going to ever
4 be moved. And they are going to have to go down
5 the street or up the street, whichever direction
6 the grade is, until they get deep enough to find
7 a place to cross, and then they're going to
8 cross and go wherever they're going to go. So
9 that's, the sewer system and the sewer lines are
10 going to have the greatest impact in my opinion.

11 Q So when you indicate in your Prefiled Testimony
12 that they'll be substantial realignments because
13 of Northern Pass, is that what you were talking
14 about, moving these lines down the street one
15 way or another?

16 A That's correct. Down or up.

17 Q Okay. Is it your opinion that these impacts are
18 going to be felt by all of the towns through
19 which the Northern Pass line is buried?

20 A Those towns for which Northern Pass is buried in
21 the local streets, there's going to be some form
22 of impacts on the local streets. Not all of
23 them have sewer systems. Some of them do. But
24 there will be some form of impact in the local

1 streets because that line is being buried right
2 where all the other utilities are.

3 Q Now, let me shift gears a little bit and ask you
4 about impacts to properties that abut the
5 right-of-way through which the Northern Pass is
6 proposed to be built.

7 A Are you talking in the streets, Mr. Pappas?

8 Q Right. The Northern Pass line proposed to be
9 built down either state highways or up, way up
10 north, some local roads?

11 A Right.

12 Q I want to ask you questions about properties
13 that abut those roads where the Northern Pass
14 will be buried along.

15 A Yes.

16 Q In your Prefiled Testimony, you talked about
17 restrictions on these abutting properties. Do
18 you recall that?

19 A Yes.

20 Q And you just mentioned a moment ago the added
21 cost for towns working in and around the
22 transmission line. Are the same restrictions
23 going to apply to any work from abutting
24 properties?

1 A Yes.

2 Q So, in other words, if an abutting property
3 wants to bring in a utility line or some other
4 type of line, they're going to have the same
5 restrictions you just discussed?

6 A That's correct. The electric line is not going
7 to be moved. The abutter is going to have to
8 work around it in some fashion.

9 Q Other than those kinds of restrictions, I don't
10 need to repeat again, are there any other
11 restrictions that you had in mind in terms of
12 the impact on these abutting properties?

13 A I believe as an appraiser and an engineer, I'm
14 also a certified assessing supervisor in New
15 Hampshire, I actually believe there's an
16 unintended consequence that many people are not
17 talking about or realized; that when you have
18 this 350,000 volt line embedded in front of your
19 building, the word is going to slowly get out as
20 there are interferences and restrictions about
21 working around this line. People are going to
22 become more and more familiar and more and more
23 anxious with owning property in front of that
24 line, especially commercial property where

1 they're going to want to build and expand
2 drainage systems, catch basins, if they have to
3 put in underground drainage, septic systems,
4 these type of things that are anywhere near this
5 line or bring in utilities that are going to hit
6 this line.

7 And where it's so shallow also, one of the
8 things that no one has yet to answer in any of
9 this discussion that I'm aware of, now, there's
10 millions of pages of stuff, but the differential
11 freeze/thaw that there's going to be a
12 freeze/thaw line where a tractor trailer or ten
13 wheeler is going to cross to go into the
14 driveway and the back tires are going to fall
15 into the trench if it's not, if it doesn't have
16 a concrete impact slab on it. And I think
17 there's going to be more and more talk as people
18 realize the problems associated with this that's
19 going to put a stigma on the properties. We
20 have never in New Hampshire put 350,000 volts in
21 the streets of a town like Franconia. Never.
22 The unintended consequences that I think are
23 going to occur are going to be severe on those
24 abutters.

1 Q Do you think that these unintended consequences
2 are going to impact the development of these
3 properties?

4 A Yes, I do. That's my own opinion. Yes, I do.
5 I have no factual basis because it's not there
6 yet, but I do. We can't tap it for juice. It's
7 too high a voltage.

8 Q Give us an example of what you think the impact
9 might be on development of those properties.

10 A Well, I think that, for example, if you were
11 going to build a substantial, let's use an
12 assisted living facility, and you wanted to
13 build drainage, you wanted to build sewer, you
14 wanted to bring in multiple electric lines so
15 you were able to have redundancy so you had
16 emergency generators, all of your
17 telecommunication utilities or you had a major
18 sewer line or you had underground drainage
19 basins for your driveways, the line is going to
20 be right near the right-of-way. It's not going
21 to be out in the middle of the road in most
22 cases. It's going to be on one side or the
23 other. And that's going to impact that type of
24 property. Here again, we still don't know the

1 freeze/thaw ratio, we don't know how much heat
2 is being emitted and how that's going to affect
3 delivery trucks and these types of things.

4 Q I take it it's your opinion that these impacts
5 will have an impact on the value of that
6 abutting property?

7 A They will eventually hit the value because
8 eventually people will realize what the problems
9 are, and it's going to be a cost, either a cost,
10 a cap X or restriction that's going to hit the
11 value at some point, all else be equal.
12 Property that does versus a property that
13 doesn't.

14 Q And in your opinion, that value is going to
15 decrease?

16 A It will decrease. In my opinion.

17 Q Let me ask you some questions now about the
18 impact on property values. And again, in terms
19 of the underground, is the potential impact that
20 we just discussed which is the fact that you're
21 going to have this line going in front of
22 abutting properties and that might be the
23 potential impact?

24 A That's a potential impact.

1 Q Any other impact on property values for
2 properties that abut the underground portion?

3 A We've discussed a significant amount of the
4 various impacts. The one impact that is
5 somewhat intangible but could be very well and
6 could become very real is that our future
7 buyers, and many of them are our children
8 sitting in this room, are, in my view, may be
9 far less tolerant to these types of obstructions
10 in and around properties that they may choose to
11 buy, given the fact that they have many other
12 options. We don't know --

13 MR. NEEDLEMAN: Mr. Chair, I'm going to
14 object to this testimony. This is speculation,
15 and it's beyond the scope of anything that was
16 included in Mr. Sansoucy's testimony so they're
17 new opinions now.

18 PRESIDING OFFICER HONIGBERG: Mr. Pappas?

19 MR. PAPPAS: Well, I don't think it was
20 beyond the scope of his testimony.

21 PRESIDING OFFICER HONIGBERG: Nothing is
22 beyond the scope of his Prefiled Testimony.
23 Literally nothing.

24 MR. PAPPAS: Say it again?

1 PRESIDING OFFICER HONIGBERG: Is this a new
2 opinion?

3 MR. PAPPAS: I don't think it's a new
4 opinion. He said in his Prefiled Testimony
5 there will be impact on property values, and he
6 talked about overhead and underground. I just
7 asked him one question on underground. So I
8 think this is within the scope of his Prefiled
9 Testimony because he talked about it.

10 PRESIDING OFFICER HONIGBERG: Everything is
11 within the scope of his Prefiled Testimony.

12 MR. PAPPAS: That may be fair.

13 PRESIDING OFFICER HONIGBERG: Mr.
14 Needleman, anything you want to add?

15 MR. NEEDLEMAN: Yes. He's asking him to
16 elaborate on what is in that testimony, and, in
17 fact, the testimony was so extensive that if he
18 wanted to include something in there he
19 certainly could have, and if he chose not to,
20 plainly it wasn't meaningful to him.

21 PRESIDING OFFICER HONIGBERG: Sustained.

22 BY MR. PAPPAS:

23 Q Mr. Sansoucy, I'm going to move on to impact on
24 property values for overhead --

1 A Yes.

2 Q -- portion. And I want to break this down and
3 I'm going to do this in summary fashion of the
4 three types of properties. First, the property
5 on which the right-of-way sits, then the
6 abutting properties and then properties farther
7 out. Okay?

8 A Yes.

9 Q So would I be correct in saying in your opinion
10 there is, there was already some diminution of
11 value for the property on which the right-of-way
12 sits by virtue of the fact the right-of-way
13 exists?

14 A Which right-of-way? What are we talking about?

15 Q Let me clarify, and perhaps I'm going too much
16 in summary fashion, but we're talking about the
17 existing right-of-way for the existing
18 transmission line that covers most, I believe
19 about 80 percent of the overhead portion.

20 A Correct.

21 Q That's what I'm -- so would I be correct in
22 saying for the property for which the
23 right-of-way passes, you believe that there's
24 already been a diminution of value in that

1 property by virtue of giving the right-of-way.

2 A Some diminution has occurred for the existing
3 line which is at this point a moderate
4 interference because of it's a medium voltage to
5 relatively lower voltage. Some diminution has
6 occurred.

7 Q And is it your view that by adding the Northern
8 Pass transmission line which in some cases will
9 involve relocating the existing line and adding
10 the Northern Pass line, is it your opinion that
11 the greater use of the right-of-way will result
12 in further diminution from the diminution that
13 already exists?

14 A Yes. That is my opinion.

15 Q And that's because there's greater use of the
16 right-of-way; is that right?

17 A Higher intensity of the use, yes.

18 Q Okay. Now, do you also believe that the view,
19 because currently there's no view anywhere of
20 the proposed Northern Pass line, so once, if the
21 line is built, for some of the properties under
22 which the right-of-way passes, they will have a
23 view of the Northern Pass structures. Do you
24 believe that the addition of the view will also

1 result in diminution of value of those
2 properties?

3 A My opinion is that a direct view of that line
4 will have an impact, either measurable or
5 immeasurable, but it will have an impact, all
6 else being equal.

7 Q Okay. Now, for the abutting properties, and
8 this is the overhead section, is it your opinion
9 that it is the view and whether or not the
10 abutting properties will have a view of the line
11 that determines whether the value of that
12 abutting property is diminished or not?

13 A It's two primary things. One is view for
14 certain. The other is people's perception of
15 the potential health hazards related to a
16 transmission line that close to their property,
17 especially if they have young children.

18 Q And, finally, for the third category, properties
19 that are more distant. They're not abutting,
20 they're further away from the line. Is it your
21 opinion that it's the view that determines
22 whether or not that property will have any
23 diminution in value? In other words, whether
24 they'll be able to see the Northern Pass

1 transmission line and/or the relocated line as
2 opposed to not being able to see it?

3 A Yes. It is my opinion that on the more
4 sophisticated, especially the larger, more
5 expensive properties that it will be view-based.

6 Q And is that the same whether it is someone's
7 primary residence, whether it's a second home,
8 vacation home or even whether it's a commercial
9 property, it's the view that really drives the
10 issue of whether there'll be a diminution in
11 value?

12 A Right. It's the view on the residential.
13 There's certain types of commercial development
14 where it would probably have a lesser impact,
15 and there's other types it might have a greater
16 impact.

17 Q But in any event, it's really the view that
18 drives whether or not property values will
19 decrease? Is that right?

20 A In most instances, that would likely be the
21 case.

22 Q Okay. So in Dr. Chalmers' study, and he talked
23 about this in his Supplemental Testimony in
24 response to some of the things you said, he did

1 the case studies, and they looked at properties
2 up to about a thousand feet away, and then he
3 went back and he looked at so many properties
4 within 100 feet of the right-of-way, and what he
5 essentially found that, as he testified, that
6 both proximity to the line and view, both have
7 to be present, if you will, both are necessary
8 factors to determine whether a property will
9 decrease in value. Do you recall that?

10 A I do.

11 Q And I take it your disagreement with him first
12 is the proximity issue. You don't believe that
13 proximity is a factor. You just said a moment
14 ago for properties further away from the line
15 it's the view that's the driver.

16 MR. NEEDLEMAN: Objection. This is all
17 material that was in Chalmers' initial report.
18 It could have been addressed, should have been
19 addressed and was addressed.

20 MR. PAPPAS: This is also in Chalmers', I
21 don't know if it's also, but it's in Chalmers'
22 Supplemental, and I'm just trying to get at the
23 nub of the disagreement between Mr. Chalmers and
24 Mr. Sansoucy, and it's directly in the

1 Supplemental Report.

2 PRESIDING OFFICER HONIGBERG: I think it's
3 also in Mr. Sansoucy's testimony. This is
4 explained, the reason for his position. You're
5 just looking for him to boil it down to the, as
6 you said, the nub of the disagreement?

7 MR. PAPPAS: Correct.

8 PRESIDING OFFICER HONIGBERG: Let's focus
9 on that narrowly and succinctly.

10 MR. PAPPAS: I thought that I did, but I'll
11 try it again.

12 BY MR. PAPPAS:

13 Q Mr. Sansoucy, would you agree with me that for,
14 and I want to start going backwards, for
15 properties that are further away from -- let the
16 me start over again.

17 Would you agree with me that the
18 difference, primary difference between your view
19 and Mr. Chalmers' view, Dr. Chalmers' view, is
20 he found that both proximity and view were
21 necessary factors to find diminution in value of
22 property, and you don't believe that proximity
23 is the issue or necessary. You believe that
24 view is the issue.

1 A View becomes the issue for what I call the
2 tertiary properties.

3 Q So just to conclude this point, for
4 Dr. Chalmers, it was his opinion that the
5 property had to be within about 100 feet of the
6 line plus you had to view the new line to have
7 decrease in property value, and in your opinion
8 the distance doesn't matter. It's for, you
9 said, for tertiary properties it's the view that
10 matters, correct?

11 A It's going to be the view, but the one thing
12 that you're bringing up is that 100 feet.
13 That's a very draconian number. That's very
14 close to a line in order to come up with a
15 derivation of an effect. I mean, most of us
16 would build houses 100, 200, 300 feet back on a
17 secondary property that abuts it. So, you know,
18 when you use the criteria of 100 feet, you're
19 creating a very high bar to jump over as you
20 come back. The 100 feet is close. It's very
21 close.

22 But all the properties that he's referring
23 to are not 300,000-volt properties largely
24 because we have a lot of much, much lower

1 voltage properties that have transmission lines
2 that are much lower, they're 40, 50, 60 feet
3 high, they're wood poles, and we get closer to
4 those because we live with them as a lower
5 voltage. When you have 100, 110, 115-foot line
6 of that magnitude that will chatter and raise
7 your hair in the middle of a rainstorm when it's
8 running full, proximity is a major issue, but
9 view is also a major issue.

10 Q Let me ask you just a couple of questions that
11 you touched upon in your testimony and I believe
12 Dr. Chalmers also, and that's the property
13 assessment and valuation proceedings in the
14 state of New Hampshire. Now, you've already
15 said that property assessor is required to
16 inspect properties in town what, I believe every
17 five years, correct?

18 A That's correct.

19 Q And you indicated that what the assessors do is
20 they collect data about a property and they look
21 at a number of factors such as -- and including
22 things such as whether there's an easement or
23 whether there are views, and other type of
24 factors, correct?

1 A Yes.

2 Q You also said that assessors establish
3 neighborhood areas. Do you recall that?

4 A Yes.

5 Q And they determine a base value of all property
6 in the neighborhood area?

7 A Yes, they do.

8 Q Then you go on to say for each property they
9 start with the base value in the neighborhood,
10 and then they either increase or decrease
11 depending on these factors?

12 A That's correct.

13 Q So in the case studies by Mr. Underwood that
14 Dr. Chalmers relied upon, Mr. Underwood used
15 comparable or paired sales. Do you recall that?

16 A In some instances, yes.

17 Q And in your opinion, in order to have an
18 appropriate comparable or paired sales, should
19 it be within this base neighborhood used by
20 appraisers?

21 MR. NEEDLEMAN: Objection. This is all
22 within the initial report. Could have been
23 addressed.

24 PRESIDING OFFICER HONIGBERG: Mr. Pappas?

1 MR. PAPPAS: Two things. One, whether it
2 could have been addressed by this witness, I
3 have no control over in terms of his initial
4 report. Second, this is an issue both this
5 witness talked about in, I believe, his
6 Supplemental, but having done many of them I'm
7 not sure whether it's the first or second one.
8 But certainly Dr. Chalmers also addressed this
9 issue. So I think it's a legitimate point to
10 ask whether or not he thinks that these
11 comparable sales should be in base neighborhood.

12 This is my only opportunity to raise this.
13 I don't have an opportunity to as Counsel for
14 the Public to inquire about this other than
15 during cross-examination of this witness.

16 PRESIDING OFFICER HONIGBERG: You look like
17 you want to say something else, Mr. Needleman?

18 MR. NEEDLEMAN: I do, Mr. Chair. It sounds
19 what Mr. Pappas is saying is that he's arguing
20 he's entitled to ask this witness to address
21 issues that they could have and should have
22 addressed but didn't, and that's not right.

23 MR. PAPPAS: No, I think I'm entitled to
24 probe this witness's testimony in

1 cross-examination because that's the only
2 opportunity I have to probe his testimony,
3 particularly if it's an issue that both he and
4 Dr. Chalmers both testified about.

5 PRESIDING OFFICER HONIGBERG: What do you
6 mean "probe"?

7 MR. PAPPAS: I mean to go further than just
8 what he said in his Direct Testimony. Then sort
9 of drill down a little bit to understand what he
10 said.

11 PRESIDING OFFICER HONIGBERG: I mean, if
12 there's something unclear you need clarification
13 about, that's fine, but we can read his
14 testimony and understand it, and his, the
15 sponsors of his testimony can ask him questions
16 if that was necessary, but just as your
17 witnesses weren't going to be allowed to expand
18 their testimony, you're not going to expand this
19 witness's testimony.

20 MR. PAPPAS: I don't think it's limited as
21 simply to clarification. Cross-examination
22 allows you to determine the accuracy, the basis,
23 and the validity of the direct examination. I
24 think that's more than just simply clarifying.

1 PRESIDING OFFICER HONIGBERG: Generally,
2 the purpose of cross-examination is to undercut
3 or minimize or limit a witness's testimony. You
4 don't appear to be interested in doing any of
5 that. That's why I asked you what probe meant.
6 Because usually when you're cross-examining
7 someone, you're trying to make them less
8 credible, less believable, make your own case
9 somehow. That's not what you're doing here.

10 MR. PAPPAS: Well, that may be true in a
11 case where you have parties on each side. I
12 think Counsel for the Public having not taken a
13 position in this case and examined a number of
14 witnesses that I brought out things unfavorable
15 for the Applicant and I brought out things
16 sometimes favorable for the Applicant. I think
17 we have the ability to probe each witness's
18 testimony differently than a party that has
19 taken the position on the case either for or
20 against the case. So if you haven't taken a
21 position in the case I don't think that applies.
22 So I think I'm entitled as Counsel for the
23 Public to probe each witness's testimony to dive
24 a little deeper, and I think we've been

1 selective in doing that. We haven't done that
2 with every witness, we haven't done that with
3 every topic, and I'm not going to do that with
4 every topic with Mr. Sansoucy, I can assure you.

5 PRESIDING OFFICER HONIGBERG: I agree with
6 that. You have not been doing that with every
7 witness. But with this witness you appear to
8 want this witness to go further, and I'm not
9 sure it's deeper, but it's further than he went
10 on topics that he did testify about. His
11 testimony is extensive on this topic and many
12 other topics, just may not do precisely what it
13 is you're looking for here. But it doesn't
14 sound to me like anything is being clarified or
15 in any way gone --

16 MR. PAPPAS: Well, I would disagree in
17 terms of clarification because both he and Mr.
18 Underwood or actually Dr. Chalmers relying on
19 Mr. Underwood talked about these paired sales,
20 and I'm not sure -- and he also talks about this
21 base neighborhood. So I'm just trying to find
22 out the relationship between the paired sales
23 and the base neighborhood. I think that is
24 clarification, and that's my only point on this

1 issue.

2 PRESIDING OFFICER HONIGBERG: It took you a
3 long time to get to a place where I was probably
4 going to let you go to a limited extent to
5 clarify that because it sounds to me like that
6 might be helpful.

7 MR. PAPPAS: Thank you.

8 PRESIDING OFFICER HONIGBERG: But beyond
9 that, I don't think so.

10 MR. PAPPAS: Well, that's the point on
11 this.

12 BY MR. PAPPAS:

13 Q So, Mr. Sansoucy, you just heard the back and
14 forth. So what I'm trying to get at is the
15 relationship or whether there is a relationship
16 between the notion of paired sales that both you
17 and Dr. Chalmers talked about and this notion
18 about base neighborhood that assessors use that
19 you talked about. And what I really want to
20 know is whether or not a paired sales or
21 comparable sales, I think has also been used,
22 should come from this base neighborhood or
23 what's the relationship between the based
24 neighborhood and the paired sales. That's what

1 I'm trying to get at. Do you understand that
2 very inartful question?

3 A I understand clearly your question, and I
4 understand clearly the Chairman's concern so let
5 me try to do it as succinctly as I can.

6 First and foremost, as assessors, we are
7 required to meet two constitutional standards,
8 fair market value and equitability between the
9 taxpayers and the same property. The notion of
10 developing neighborhoods is a requirement in
11 performing a townwide revaluation and mass
12 appraisal and the maintenance annually of those
13 values, and that is locational values on a
14 larger scale than a single paired sale scale.

15 Now, one tool in determining a value is
16 comparable sales. We are required to determine
17 what the base value of a particular type of
18 residential property within that neighborhood
19 brings, and that becomes the base and you
20 measure the impact of value or you measure the
21 effect of additions and deletions to that base
22 value more depreciation, more maintenance, new
23 roof, closer to a power line versus a better
24 view or a corner lot that is an increase. Those

1 do not relate to compared sales. Those relate
2 to valuation, listing, and equality.

3 A paired sale is a different animal where
4 you are trying to determine a single fact
5 between a before and after sale. One has a
6 bathroom, one has two bathrooms. What's the
7 paired sale on that. You do that within a
8 neighborhood or you've got to readjust for
9 neighborhood number one.

10 Now, they have to be prospective. The big
11 issue here is paired sales about bygone
12 properties that already are impacted by a line
13 don't tell us anything. It's the difference
14 between the property pre the announcement of
15 Northern Pass, that's one sale, paired with the
16 sale of that same property or an identical
17 property seven years or five years in the future
18 when the line is built. We're not at the stage
19 of doing paired sales to calibrate our mass
20 appraisal model.

21 Q Okay. Thank you. Let me move on to another
22 topic, and I'll briefly ask you a few questions
23 about orderly development that you discussed in
24 your testimony.

1 Again, I want to get to the nub of the
2 difference between your view and Mr. Varney's
3 view on this subject.

4 Would you agree with me that what
5 Mr. Varney testified about is because for 80
6 percent of the overhead portion Northern Pass is
7 going in an existing right-of-way, and,
8 therefore, that should not interfere with
9 orderly development of the region. Do you agree
10 with that?

11 A Say that again because he made a very bold
12 statement, and I want to make sure I understand
13 your question.

14 Q Would you agree with me that Mr. Varney
15 testified that by placing the proposed Northern
16 Pass transmission line within an existing
17 right-of-way would not interfere with the
18 regional development because you're putting the
19 line in an existing right-of-way?

20 A Would not interfere with the regional
21 development?

22 Q With the orderly development of the region.

23 A Of the region?

24 Q Right.

1 A I have to disagree completely with that.

2 Q No, no.

3 A Okay.

4 Q Not your opinion. I want you, you'd agree with
5 me that's Mr. Varney's testimony?

6 A Yes, yes. I'm sorry, Mr. Pappas. Yes. I agree
7 that that's his testimony. Thank you.

8 Q Am I correct that your disagreement is that the
9 magnitude of what's going in the right-of-way,
10 in other words, you can have a relocated
11 existing line on taller towers and you're going
12 to have the Northern Pass line on taller towers,
13 and, therefore, because you're changing or
14 increasing the use within the right-of-way, you
15 believe that that will have an adverse impact on
16 the orderly development of the region; is that
17 your view?

18 A I believe it can and does, and I cite the lack
19 of development around the Hydro-Quebec Phase I
20 and II with the new line that has been built
21 since 1990, and you can see that by just going
22 up and down that line. And I do think it has an
23 impact. We never bargained for something of
24 these magnitude on these small right-of-ways

1 that have 115,000-volt lines. So I think it
2 does have an impact.

3 Now, there may be some towns or areas where
4 there is lesser, you can't measure it because it
5 isn't that great because of the attitude of, or
6 where it's going through the attitude of certain
7 people within that community, but by and large,
8 that higher intensity, it's like most of our
9 communities have an ordinance where you build
10 four stories max in smaller towns because that's
11 the height of a ladder truck. And it's like
12 coming in and saying okay, but we want to build
13 a 20-story building in the exact same location
14 where we have four-story zoning. The only
15 difference is that you get away, you can do it
16 because you don't have zoning for the lines.
17 And that intensity of use completely changes the
18 landscape and the attitude of people's
19 perception in that region.

20 Q And you anticipated my final followup question
21 which is tell me the basis, and I take it it's
22 your experience on this Phase II line.

23 A Say again? My experience on Phase II?

24 Q Let me ask it this way. Other than what you

1 described as the Phase II line, do you have any
2 other basis for your view?

3 A Oh, sure. Oh, absolutely. Look at the --

4 PRESIDING OFFICER HONIGBERG: Hang on.
5 Hang on.

6 MR. NEEDLEMAN: Same objection,
7 Mr. Chairman. This is complete repetition of
8 testimony.

9 PRESIDING OFFICER HONIGBERG: Mr. Pappas?

10 MR. PAPPAS: Well, actually, I don't think
11 I got, I don't think it's a repeat of testimony.
12 It's simply, he had said one example of why he
13 thought that it was interference of orderly
14 development, and I just asked him if he had any
15 others.

16 PRESIDING OFFICER HONIGBERG: The question
17 was asked in his Prefiled Testimony whether he
18 agrees with Mr. Varney or disagrees with Mr.
19 Varney and why, and he gave an answer.

20 MR. PAPPAS: Okay. I'll move on.

21 PRESIDING OFFICER HONIGBERG: It's his
22 original Prefiled Testimony starting on page 31.

23 MR. PAPPAS: Okay. Thank you.

24 BY MR. PAPPAS:

1 Q So let me ask you a couple of questions about
2 your testimony on revenue requirements and
3 energy capacity requirements.

4 A Are you in the April 2017?

5 Q Yes. Yes. This is your Supplemental Testimony.

6 MS. DORE: We don't have April 17 testimony
7 filed as an exhibit. We have March 24 testimony
8 filed.

9 (Discussion off the record)

10 BY MR. PAPPAS:

11 Q Mr. Sansoucy, there's going to be no need for me
12 to go through your calculations that are set
13 forth in your testimony, but would I be correct
14 in saying that you believe that Northern Pass
15 will have a 30 percent capacity factor whereas
16 LEI used an 83 percent capacity factor. Is that
17 right?

18 A Yes, I do.

19 Q Okay. Now, at a 30 percent capacity factor,
20 will HQ need to charge a higher cost for its
21 energy to meet its revenue requirements?

22 A If the Project goes down the way it's proposed
23 in the TSA, HQ, the assumption on that question
24 so I can give you the correct answer, HQ is

1 going to commit to the entire revenue
2 requirement of the entire Northern Pass Project.

3 If the capacity factor is anything less
4 than 83 percent, than the economics of London
5 Economics, the cost per kilowatt is going to
6 rise that they're going to have to achieve to
7 reach their hurdle rate. So they will, at 30
8 percent they're going to essentially have to be
9 two and a half times higher cost to pay all the
10 bills.

11 Q You just mentioned a moment ago the hurdle rate,
12 and I saw that in your Prefiled Testimony.
13 Could you explain to me what you meant by, what
14 you mean by the hurdle rate?

15 A Certainly. Hurtle rate is a term that's used,
16 especially in the regulatory world, and it is
17 simply the break-even rate or the rate you have
18 to jump over to pay all your bills without
19 necessarily making a profit. It's the, it can
20 be called the marginal cost. It's the number to
21 break even.

22 Q Okay. Is it your opinion that at a 30 percent
23 capacity factor that that will result, that will
24 make it more difficult for HQ's bid price in the

1 Forward Capacity Auction to clear?

2 A You're talking energy or capacity?

3 Q Capacity.

4 A Capacity --

5 MR. NEEDLEMAN: I'm going to object,
6 Mr. Chair. Again, we're into terrain that
7 plainly could have and should have been
8 addressed. There's nothing new here after April
9 17th.

10 PRESIDING OFFICER HONIGBERG: Mr. Pappas?

11 MR. PAPPAS: April 17 I believe was the
12 first time this witness raised this issue about
13 capacity factor and the difference between his
14 capacity factor and LEI's capacity factor. So I
15 was just going to inquire about whether this has
16 an impact on HQ clearing in the Capacity Market
17 since we've had an extensive amount of testimony
18 about that issue.

19 PRESIDING OFFICER HONIGBERG: Do you want
20 to link him or tie him to something that someone
21 has testified to? One of the experts on the
22 Capacity Market and various auctions? Or are
23 you not having him respond to that? Are you
24 having him do something else?

1 MR. PAPPAS: I thought I set that up by
2 saying LEI used an 83 percent capacity factor,
3 and then they based their analysis on that as a
4 capacity factor and his is 30 percent. So I
5 thought that was the link to see whether or not
6 in his opinion this will make it less likely
7 that HQ bid price will clear in the Forward
8 Capacity Auction. That was the link.

9 PRESIDING OFFICER HONIGBERG: He's already
10 offered -- but that's not new, is it? Ms.
11 Frayer's use of the differing number from him,
12 that's not new, is it?

13 MR. PAPPAS: Well, It came up for the first
14 time in his, he didn't talk about capacity
15 factor until his April testimony.

16 PRESIDING OFFICER HONIGBERG: Which is his
17 April testimony. It's in there.

18 MR. PAPPAS: Right. Right. I think I'm
19 entitled to inquire about his April testimony
20 and compare it to Ms. Frayer's. Ms. Frayer's
21 was before that but his just came out in April.
22 So I'm just trying to link the two, if you will,
23 to see if he has a different view in terms of
24 clearing the Capacity Market.

1 MR. NEEDLEMAN: Mr. Chair?

2 PRESIDING OFFICER HONIGBERG: Different
3 from what he testified to in April.

4 MR. PAPPAS: No. Well, actually my
5 recollection is that although he testified about
6 the capacity factor, and he testified about
7 impact on price, and I didn't want to go through
8 all of the different price things because
9 they're extensive in his testimony, I just
10 wanted to get to the nub of it to see whether or
11 not he thinks that with all those effects on
12 price that he listed that would make it more
13 difficult for them to clear in the Capacity
14 Market. That's my bottom line question.

15 PRESIDING OFFICER HONIGBERG: You are now
16 extending his April testimony beyond where he
17 took it, and I'm going to sustain the objection.

18 MR. PAPPAS: All right.

19 BY MR. PAPPAS:

20 Q Let me ask you to consider what I think to be a
21 clarifying question on this capacity factor
22 issue and your use of 30 percent capacity
23 factor.

24 You testified that you believe that the

1 Northern Pass Project is not economically
2 feasible without a subsidy. Do you remember
3 that testimony?

4 A Yes. I do.

5 Q When you talked about a subsidy, were you
6 referring to things such as the Mass. RFP?

7 A It's going to need legislative subsidy, whether
8 it's Mass. RFP, something of that nature, where
9 it's going to be required by public policy and a
10 legislature to pay all the bills. It cannot do
11 it on its own. It's not financially feasible.

12 Q But the Mass. RFP would be an example of what
13 you're referring to?

14 A It's an example, but it isn't necessarily one
15 that they can even clear in. I mean, they are
16 almost twice as high as some of their
17 competitors that are in the proposal. So they
18 may not even clear in the Mass. RFP, but, yes,
19 you need something legislatively derived as
20 public policy.

21 Q Let me ask you just a couple of questions about
22 the Granite State Power Link. You had earlier
23 testified about using the Phase II line, and
24 then subsequently you refer to the Granite State

1 Power Link because that came out after your
2 first testimony, and when -- let me ask you a
3 foundation question.

4 I know you're familiar with the
5 right-of-way for that proposed project in New
6 Hampshire, correct?

7 A Very familiar.

8 Q Are you familiar with the right-of-way in
9 Vermont for that proposed project?

10 A Yes, I am.

11 Q Okay. So Mr. Quinlan testified that he believed
12 that the National Grid will have some problems
13 in the right-of-way in Vermont, and I'm
14 wondering whether or not you agree with that
15 testimony.

16 A I disagree.

17 Q Why do you disagree?

18 A Because if you look at the Granite State Power
19 Link proposal, it is an upgrade to the existing
20 line, and if you actually look at the plans and
21 specs, they are going to mount, as I talked
22 about in my Tech Session, they are going to
23 mount the additional lines on top of the
24 existing pole. So they're not going to use any

1 more right-of-way of any kind, and they're not
2 moving the existing lines in any right-of-way.

3 Now, there'll be the odd one here or there
4 as you get down towards Bedford and that area,
5 but up in Vermont they're going to put it right
6 on the same poles, reinforce the arms and come
7 down into Littleton, and then from Littleton
8 down they're home free. They've got 350 feet to
9 Massachusetts.

10 Q Finally, let me ask you a question about
11 potential conditions should this Application
12 receive a permit.

13 In your testimony, you talked about the
14 potential for some of the costs of Northern Pass
15 being recovered by New Hampshire ratepayers, and
16 you discussed the need for some kind of adequate
17 assurances from the Public Utilities Commission.
18 Do you recall that?

19 A Yes, I do.

20 Q So but we're here in front of a Subcommittee of
21 the site, SEC. Are you aware of any conditions
22 that should be placed on the permit to address
23 this concern that you raise in your testimony
24 that the SEC could apply as opposed to the PUC?

1 A The first condition brought up in my testimony
2 related to the PPA and that we believed it
3 wasn't as strong as written, and I think we were
4 vindicated in that and the PPA has been
5 withdrawn, originally.

6 The second -- now, at that point that
7 raised the highest level of concern. There is a
8 secondary level of concern that now arises that
9 if Northern Pass is not financially feasible,
10 but it goes ahead, and if it fails, what type of
11 assurances are we going to have in New Hampshire
12 that the negative bond ratings of Eversource do
13 not become negative bond ratings for Public
14 Service Company of New Hampshire.

15 And if you think that that's pie in the
16 sky, look at the effect that Seabrook had on the
17 bond ratings of Public Service and the impact it
18 had on the value of the nonnuclear facilities
19 back in 1990. So if this fails, it's large
20 enough so that it's possible that it will have a
21 detrimental effect on our own borrowing rates as
22 Public Service. And the money pool accounting,
23 remember, Eversource uses money pool accounting.

24 MR. NEEDLEMAN: Mr. Chair, this is not a

1 response to the question, and this is actually
2 now new information. I'm going to ask that it
3 be struck. It's unrelated to any question and
4 it's new testimony.

5 PRESIDING OFFICER HONIGBERG: Mr. Pappas?

6 MR. PAPPAS: Let me ask the question again
7 because my question was specifically directed
8 toward the Site Evaluation Committee.

9 PRESIDING OFFICER HONIGBERG: Yes, it was.

10 BY MR. PAPPAS:

11 Q So Mr. Sansoucy, I referred to your assurances
12 just to set up the question, but my question is
13 a little narrower, and my question is sitting
14 here today, and you may not think of something
15 sitting here at the moment, but sitting here
16 today, can you think of any potential condition
17 that this Subcommittee could put on any
18 Application if the Application is approved that
19 would address these issues. Not what the PUC
20 could do but what --

21 A Subcommittee -- yes, I can. I can think of one
22 right off the bat, and I think that the
23 Subcommittee should order that if it's approved
24 that Public Service be ring-fenced away from

1 this proposal, and that some level of cash be
2 escrowed into the Public Service system so that
3 its own borrowings remain as low as possible
4 without the potential impact of increased
5 borrowing and money pool costs as a result of
6 failure of Northern Pass.

7 Q Thank you, Mr. Sansoucy. I have no other
8 questions.

9 A Thank you, Mr. Pappas.

10 PRESIDING OFFICER HONIGBERG: I don't see
11 Ms. Saffo here. Ms. Boepple. Do you have
12 questions?

13 MS. BOEPPLE: No questions. Thank you.

14 PRESIDING OFFICER HONIGBERG: Is
15 Mr. Plouffe still here or anyone from that
16 group? Doesn't appear so.

17 Is Mr. Van Houten here or anybody from his
18 group? Mr. Palmer?

19 MR. PALMER: We have one member of our
20 group who would like to ask questions. Peter
21 Grote.

22 PRESIDING OFFICER HONIGBERG: Okay. Where
23 is he?

24 **CROSS-EXAMINATION**

1 **BY MR. GROTE:**

2 Q I have a question for Mr. Sansoucy regarding the
3 psychological impact that the proposed line
4 would have on property values.

5 Is this, Mr. Sansoucy, a generic problem, a
6 general problem or is it just specific to
7 Northern Pass or very large power lines?

8 A It's my belief that it is becoming specific to
9 the very large power lines that are being built
10 around the country by a younger generation of
11 buyers. The two generations under you and I
12 raised this concern in discussions with them. I
13 talk to them to try to get a sense for this.
14 It's a modern 21st century problem. I don't
15 believe that psychologically it's made its way
16 into the banking system as far as nonconforming
17 versus conforming loans, but it is percolating
18 and it's very real. It's very hard to measure.
19 Buyers walk away before they even consider
20 buying so you don't know what they're going to
21 say. And I think we could line up 20 of our own
22 children in this room between 20 and 40 years
23 old and have a debate with them, and they'll
24 tell you that it's a concern. And I think it's

1 growing. In the '50s, '60s coming out of World
2 War II, '70s, it was less of a concern for our
3 generation and my parents' generation. We were
4 building nuke plants. We were in the middle of
5 a cold war. We had bigger problems to think
6 about.

7 Q In your work as an appraiser, have you run into
8 specific cases, not hypothetical, not
9 econometric, but specific cases where knowledge
10 of a major high voltage line would have an
11 impact on property values?

12 A Yes. There's one I did run into because it's up
13 where I live, and that was in Franconia. And I
14 recall talking to the group in Franconia to
15 interview the owner and research what had
16 happened where a particular person wanted to buy
17 a particular Main Street property but wanted to
18 make sure that that was not on the same side
19 that Northern Pass was going to go on. I don't
20 know if the sale consummated or not, but that
21 question came up very quickly.

22 And, of course, Franconia is hit pretty
23 hard because of what's going on on Main Street
24 with this line, but I did read that, and I think

1 there was some memo floating around of the
2 interview with those parties that may or may not
3 have been provided as data in this proceeding.

4 But yes, I do recall one in Franconia for sure.

5 Q Mr. Sansoucy, have you as an appraiser been
6 aware or witnessed a higher turnover of property
7 sales along the underground route?

8 A A what, sir?

9 Q A higher turnover of property sales among
10 abutters of the underground route under Route
11 118, 116, 112 or Route 3?

12 MR. NEEDLEMAN: Objection, Mr. Chair. It's
13 all material that could have been and should
14 have been included.

15 PRESIDING OFFICER HONIGBERG: Mr. Grote?

16 MR. GROTE: I guess that's it. Thank you
17 very much.

18 PRESIDING OFFICER HONIGBERG: All right.
19 Is anyone here from the Ashland to Concord
20 Group? I don't see anybody. Ms. Menard already
21 asked her questions. How about the Ashland to
22 Deerfield Non-Abutters? I don't see anybody
23 here from that group. Drapers? Any questions?
24 Did I miss any Intervenor group that has

1 questions? Seems not. Mr. Needleman?

2 MR. NEEDLEMAN: I'm ready, but can we take
3 a couple of minutes?

4 PRESIDING OFFICER HONIGBERG: Absolutely.
5 Ten minutes.

6 (Recess taken 3:26 - 3:41 p.m.)

7 PRESIDING OFFICER HONIGBERG: Whenever
8 you're ready, Mr. Needleman.

9 MR. NEEDLEMAN: Thank you, Mr. Chair.

10 **CROSS-EXAMINATION**

11 **BY MR. NEEDLEMAN:**

12 Q Hello, Mr. Sansoucy. How are you?

13 A Good afternoon, Mr. Needleman. How are you
14 today?

15 Q I'm doing all right. I think you know that I
16 represent the Applicant in this matter, but I'll
17 remind you just in case you forgot.

18 A I'm sure I know.

19 Q So I want to start off picking up on a couple of
20 issues that were raised this afternoon.

21 First of all, when Mr. Whitley was
22 questioning you early on, he asked you some
23 questions about the Phase II line. And you
24 said, you mentioned to him that as an example in

1 Hopkinton on Gould Hill that's a beautiful area
2 where there's been no development because of the
3 Phase II line. Do you remember that?

4 A I said that there is no development around that
5 line. And I said it's the Gould Hill area.
6 It's over by Patch Road, Rollins Road.

7 Q Right, and the reason that caught my attention
8 is because I live on Gould Hill.

9 A Yeah. I know that.

10 Q And the line is not anywhere near Gould Hill.

11 A Right. That's because you live away from it.

12 (Court reporter interruption
13 for simultaneous talking)

14 PRESIDING OFFICER HONIGBERG: You guys need
15 to take turns.

16 BY MR. NEEDLEMAN:

17 Q The line is actually not near Gould Hill. It's
18 well over a mile away; isn't that right?

19 A It's about a mile away. You go up through Gould
20 Hill to get to it.

21 Q Right. So when you said there's no development
22 on Gould Hill because of the line, the line's
23 not in proximity to Gould Hill, right? It's a
24 distant view off parts of Gould Hill, right?

1 A Well, you go past Gould Hill, and it's right
2 down the road.

3 Q Okay. We'll say a mile away, right? But there
4 are roads actually in Hopkinton where the line
5 does cross, right?

6 A Yes. That's correct.

7 Q You're aware of those?

8 A That's right.

9 Q So, for example, it crosses Broad Cove,
10 Hopkinton Road, Rollins Road, it crosses
11 Hooksett Turnpike.

12 A Patch Road.

13 Q And in every one of those places there is
14 development right next to the road by the line.
15 Isn't that true?

16 A Some of it, no.

17 Q Actually, it is. I looked at a satellite photo,
18 and in every one of those places except for
19 Patch Road right next to the --

20 A How far apart --

21 (Court reporter interruption
22 for simultaneous talking)

23 PRESIDING OFFICER HONIGBERG: Mr. Sansoucy,
24 please, let him finish the question.

1 BY MR. NEEDLEMAN:

2 Q So in fact, every place in Hopkinton that I just
3 mentioned where the line crosses the road, there
4 is development right next to the line by the
5 road. Isn't that true?

6 A I don't think it's every one of them. No.

7 Q Well, certainly the ones I mentioned. And in
8 fact, you indicated that there are large areas
9 of Hopkinton where there's no development
10 because of the line, but, in fact, there are
11 large areas of Hopkinton where there's no
12 development unrelated to the line. There just
13 aren't roads there; isn't that correct?

14 A No. I said the line goes through Hopkinton and
15 goes through Dunbarton, and you look at the lack
16 of development in those areas, and they are
17 beautiful areas that the line goes through. You
18 can draw your own conclusion. But you have to
19 conclude that there's likely some effect of that
20 line on development in that immediate region.
21 You have to conclude that.

22 Q Except to the extent that every place where a
23 road crosses the line that I just mentioned
24 there's development next to that road.

1 A Oh, I think you'll find that a lot of those
2 houses might have been there before also.

3 Q So you could also draw the conclusion that the
4 absence of roads is what's preventing the
5 development, not the line; isn't that fair to
6 say?

7 A No. I'm not going to say that.

8 Q I didn't think you would.

9 Let me ask you about capacity factors. You
10 said that the capacity factor for this line is
11 going to be 30 percent, right?

12 A That's my estimate.

13 Q So, in other words, your estimate is saying that
14 the capacity factor for a line supplied by the
15 whole HQ system of hydro resources is going to
16 be lower than the capacity factor for a single
17 wind project like Antrim Wind; is that right?
18 Antrim Wind is 37 percent. You're saying it's
19 going to be lower than a wind project?

20 A First of all, Antrim Wind is not built.

21 Q Antrim Wind went through this Committee and got
22 issued a Certificate, and the capacity factor
23 that the project proponent represented to this
24 Committee was 37 percent.

1 A We'll see.

2 Q We will see. But according to your testimony,
3 you're saying that the capacity factor of an HQ
4 system project is going to be lower than an
5 individual wind project? Does that make any
6 sense?

7 A Yes, it does.

8 Q Tell us how.

9 A Exactly. First of all, you have to start with
10 today. Right now. Realtime. We are no longer
11 in a standard daily capacity curve. We don't go
12 up, peak in the afternoon and come back down
13 like we have for 80 years. As you sit here
14 today, we are gravitating to very quickly a
15 double hump curve, what they call a duck curve.
16 And we have a peak that goes up coming out of
17 the morning, it goes down when the sun comes
18 out, and when the wind starts to move around
19 because of the temperature of the earth, it goes
20 back up and we actually peak between 5 and 8
21 p.m. at night, and the rate at which those peaks
22 occur and drop quickly and drive down into, the
23 trough is becoming faster and greater than ever.
24 So what we have is a curve that is being

1 significantly affected by renewable resources,
2 your wind project, solar, et cetera, that is
3 driving the curve down and we don't get the same
4 capacity factors. It's nearly impossible to get
5 an 83 percent capacity factor. But in order to
6 do it you're going to have it do it, number 1,
7 with primarily offpeak power, and you're never
8 going to clear offpeak power.

9 I don't believe personally or
10 professionally that Hydro-Quebec will sell power
11 as cheap as it would take to move power down
12 here for offpeak. And likely they're going to
13 end up having to pay to send it down here.
14 There's negative pricing beginning to develop in
15 the offpeak hours. You only have on-peak that
16 brings in any valuable energy, and that on-peak
17 power is now two humps.

18 So there's a whole broad range that's
19 filled in the center that's being taken up very
20 quickly by renewables that HQ is not going to be
21 able to feed because the renewables are either
22 self-dispatched or behind the meter so that they
23 cannot be controlled by HQ or ISO. ISO doesn't
24 see them. This is a phenomena that is growing,

1 it's been growing in 2016, 2017, and it's
2 expected to continue to worsen.

3 So when you actually do a calculation and
4 you actually look at the on-peak versus offpeak
5 pricing, the disparity is getting so great that
6 you're not going to run off-peak power down
7 here. You're going to have to pay to do it
8 because it's going to be negative pricing,
9 number one, and, number two, the on-peak troughs
10 limit the amount of on peak power that probably
11 will clear. So I believe that the 30 percent is
12 far more accurate than 83. 83, I personally
13 believe, is pie in the sky.

14 Q So let's try this, and I'm sure this is me. I
15 didn't understand that explanation. So is there
16 a way that you can in a couple of sentences
17 simply explain to a layperson like me how a
18 project supplied by dedicated hydro resources is
19 actually going to have a lower capacity factor
20 than a wind project? Simple explanation.

21 A First of all, wind factor, your wind power
22 capacity factor, 37 percent, that has not yet
23 been observed by that property. Let's assume
24 that it actually hits something that we see when

1 we value these in New Hampshire that's far more
2 realistic.

3 Q Assume 37 percent.

4 A No.

5 Q For purposes of this answer.

6 A 25 to 30 percent.

7 Q Just assume 37 percent. Simple explanation.

8 A That power of a wind project is going to be
9 intermittent. You don't know when it's going to
10 come down and it's going to be after, it's going
11 to be in the evening, it's going to be offpeak,
12 it's going to be on-peak, it's going to be
13 weekends and everything else, and it's going to
14 be a price taker. It's not going to be a price
15 maker. So all that power is going to get sold.
16 And not all of the power from Hydro-Quebec is
17 going to get sold. Because there's no way
18 they're going to be able to clear that power and
19 send it down at the prices that are going to be
20 necessary to achieve 83 percent because you're
21 going to be sending it down, half of it's going
22 to be in the offpeak hours.

23 Q All right. Why don't we move on. Dawn, can you
24 put -- what's our exhibit number? 442.

1 Earlier on, Mr. Whitley was asking you
2 questions about the Ashland water and sewer
3 lagoons, and he put the March 30th report in
4 front of you, and you offered some engineering
5 opinions about that. Do you recall that?

6 A Yes, I do.

7 Q Are you aware of the fact that that report has
8 actually been finalized, and the final version
9 is in front of you? Have you seen this report?

10 A I have the March 29th version in front of me.

11 Q So no one ever showed you this report.

12 A I have not read the October 30th version, no.

13 Q So you're not aware of the fact that --

14 MR. WHITLEY: Mr. Chair, I'm going to
15 object. That report has not been provided to us
16 at this point.

17 MR. NEEDLEMAN: Actually, Ashland Water &
18 Sewer has reviewed this report, and I wasn't
19 going to bring it up, but now I'm going to as
20 rebuttal.

21 PRESIDING OFFICER HONIGBERG: I'm not sure
22 I understand the basis for the objection.

23 MR. WHITLEY: This is the first time that
24 I'm seeing this version of the report, and prior

1 to the statement by Mr. Needleman, I had no idea
2 it had been filed and disclosed to anyone.

3 PRESIDING OFFICER HONIGBERG: You represent
4 the subject of the report, right?

5 MR. WHITLEY: I do.

6 PRESIDING OFFICER HONIGBERG: Overruled.
7 You can continue.

8 BY MR. NEEDLEMAN:

9 Q Dawn, let's go to Section 5.2 of this report and
10 blow it up, please.

11 Mr. Sansoucy, read that first sentence,
12 please.

13 A The first sentence? Based on our assessment, we
14 offer the following conclusions and
15 recommendations.

16 Q And then the next sentence in A.

17 A Say again?

18 Q I'll read it.

19 Based on our assessment, comma, NPT
20 construction activities will not have an adverse
21 effect on the performance of the existing waste
22 water treatment facility lagoons.

23 Do you see that?

24 A Yes, I do.

1 Q So now that you have the benefit of seeing this
2 finalized report, which I will represent was
3 shared with Ashland Water & Sewer, do you still
4 have the view that from an engineering
5 perspective there's going to be some adverse
6 effect on these lagoons?

7 A I have that view based on the report I have from
8 March 29th. I have not read this report so I
9 have no opinion.

10 Q All right. Let's move on.

11 Mr. Sansoucy, have you ever been involved
12 in a proceeding before the New Hampshire Site
13 Evaluation Committee before?

14 A Over the years we were involved in the Berlin
15 Biomass proceeding. You've got to jog my
16 memory. Berlin Biomass which was, what,
17 Laidlaw, it was called Laidlaw at the time.

18 Q My recollection was your involvement was at the
19 Public Utilities Commission with respect to the
20 PPA, isn't that right?

21 A Yes, representing the City of Berlin.

22 Q Right. So you were not involved in the Site
23 Evaluation Committee proceeding.

24 A I did not testify before that Site Evaluation

1 Committee, no.

2 Q And my understanding is you've actually never
3 testified before the Site Evaluation Committee.

4 A I don't think so. No. I think you're right.

5 Q So in this case, one of the disagreements that
6 you have is with Lisa Shapiro, Dr. Shapiro,
7 about the amount of municipal taxes that the
8 Project would generate; is that right?

9 A Yes. I have that disagreement.

10 Q And on page 31, line 3 of your testimony --

11 A Which one?

12 Q Well, that's a good question.

13 I believe it's your initial testimony, the
14 initial Prefiled Testimony. Is there an exhibit
15 number for that? I believe it's Sansoucy 1.
16 Yes.

17 So what you say here is that Dr. Shapiro,
18 quote, hides behind the magnitude of the gross
19 number she estimated over 20 years in an attempt
20 to obscure the real impact of her valuation
21 methodology. This testimony is misleading.

22 Correct?

23 A Yes. I say that.

24 Q And by "valuation methodology" there, I

1 understand what you mean is Dr. Shapiro's use of
2 the book value approach, right?

3 A Yes, she does.

4 Q And in your testimony you also say that the book
5 value approach drives down long-term value of
6 the Project to zero in direct violation of New
7 Hampshire's fair market value standard and
8 equity standard, correct?

9 A That's right.

10 Q So I want to ask you some questions related to
11 this, but I'm going to begin by doing some
12 background.

13 Am I correct that you recently represented
14 the Town of Bow in a tax assessment case against
15 PSNH that was heard in the New Hampshire
16 Superior Court?

17 A Yes, I did.

18 Q Let's put up Applicant's Exhibit 437 which is
19 that decision, and you will see on the front
20 page of this right under the title it says,
21 quote, "Sealed Order." I've confirmed with the
22 court that this order is not sealed, and I think
23 you're probably familiar with the fact that the
24 parties agreed to that. Is that correct?

1 A I don't remember what they agreed to on the
2 sealed order. We actually have taken it as
3 sealed.

4 Q I'm going to ask Dawn to put up Exhibit 438
5 which is the Court Docket Sheet related to this
6 just to confirm what I'm saying. And docket
7 entry number 34, please.

8 You'll see that that refers to the Court
9 Order and it's the same date, and if you look on
10 the right side, it has an index number, and this
11 is not one of the index numbers that is
12 indicated as sealed, and then if you look at
13 index number 38, it's a letter from the parties
14 indicating that no portion of the order above
15 needs to be sealed.

16 So let's go to number 38, Dawn. Do we have
17 the next page of the docket sheet? Oh, right
18 below it. Noting that the parties agree that no
19 portion of the order needs to be sealed.

20 Do you see that?

21 A I see it.

22 Q Okay.

23 A But I'm not privy to it.

24 Q So now I'm going to go back to the order, and

1 I'm going to ask you some questions about that.

2 So let's go back to the exhibit, please,
3 Dawn. Applicant's 437.

4 My understanding is that this is a case
5 that involved valuation at Merrimack Station,
6 and one of the issues in the case was your
7 opinion about valuation versus the opinion of
8 another expert named Mr. Kelly. Is that right?

9 A Yes. That's correct.

10 Q So Dawn, can we go to the highlighted section of
11 page 3 of the order, please.

12 And what the court said here is that,
13 "While the Court believes that Sansoucy is a
14 qualified expert, for the reasons stated in this
15 order, the Court believes that Mr. Kelly's
16 testimony is more credible than Mr. Sansoucy's."

17 Is that right?

18 A Yes.

19 Q So I take it this is an example of how it's not
20 unusual for you and another expert to disagree
21 about valuation issues; fair to say?

22 A Fair to say.

23 Q All right. Now I want to go to page 10 of the
24 opinion. And now the Court analyzed the basis

1 for the differences between you and Mr. Kelly.
2 And on top it says that with respect to your
3 "inutility penalty," the Court said, "It is not
4 clear to the Court how this penalty was created;
5 it is not referenced in any appraisal text or
6 principle of appraisal."

7 Do you see that?

8 A I do.

9 Q And then underneath it says, "The Court does not
10 credit this testimony. It is based on pure
11 supposition and it flies in the face of
12 compelling evidence regarding the changes in the
13 fuel market for electricity generating plants."
14 Is that right?

15 A That's what Mr. McNamara said.

16 Q That was Judge McNamara, right?

17 A Judge McNamara. That's right.

18 Q Don't you agree that for valuation opinions to
19 be credible they have to be based on something
20 more than pure supposition, as the Court said
21 here?

22 A With all due respect to Judge McNamara, there is
23 a textbook on inutility and its effects on
24 valuation. It's a common textbook that's used.

1 Excerpts of that textbook were in our appraisal,
2 but he did write what he wrote so I don't know
3 what to say. You can ask Judge McNamara. But
4 the data in the textbook sections are very real
5 and were available as exhibits at the trial.

6 Q Let's go back to my question, Mr. Sansoucy.

7 Don't you agree that for valuation opinions
8 to be credible, they have to be based on
9 something more than pure speculation?

10 A There's no speculation here. Valuation is an
11 estimate of value. I don't understand your
12 question as it relates to Bow.

13 Q My question is straightforward. Would you agree
14 with me that for valuation decisions, valuation
15 assessments to be credible, you have to base
16 them on something more than pure speculation?

17 A Yes. We don't speculate.

18 Q Right. And the Court in this case said right
19 here that in fact you were speculating, didn't
20 they?

21 MS. PACIK: Objection. He's already
22 answered that question.

23 PRESIDING OFFICER HONIGBERG: Overruled.
24 You can answer it again.

1 Q The Court said in this case you were
2 speculating, correct?

3 A Would you be kind enough to back up so we can
4 see what they said?

5 Q Sure. Bottom of the page.

6 "It is based on pure supposition." That
7 was what the court said about your opinion here,
8 correct?

9 A Yes.

10 Q Okay. So let me go on then. On page 13, the
11 Court also talked about your valuations in that
12 case relative to the other expert and said that
13 they were many orders of magnitude higher than
14 the other expert and they were outliers.

15 Do you remember the Court saying that?

16 A Yes.

17 Q And then over to page 17, the Court talks about
18 how you value transmission and distribution
19 assets and says, quote, "He assumed without any
20 data to support his conclusion that a nontaxable
21 entity would pay more for assets than a
22 regulated utility." Do you see that?

23 A Yes.

24 Q So on page 10, the Court called your work pure

1 supposition, and here they said you were
2 offering opinions without any data to support
3 your conclusion. And then ultimately at the
4 bottom of page 18, "The Court finds Sansoucy's
5 conclusion unpersuasive."

6 Is that right?

7 A That's what the Court said.

8 Q So as you said earlier, experts can disagree
9 about methodology, right? But as we saw here,
10 that disagreement doesn't always mean that one
11 expert's approach is credible and the other
12 isn't, right? Sometimes an expert's approach
13 just plainly isn't credible like the Court found
14 with you, correct?

15 A Well, yes and no. First and foremost, Mr.
16 Needleman, Lisa Shapiro is not an expert
17 appraiser, and she did not present an appraisal
18 methodology. She merely presented to
19 this Board --

20 Q Mr. Sansoucy, I'm not talking about Dr. Shapiro.

21 A Let me finish, sir. Let me finish.

22 Q I'm talking about your analysis here.

23 A Let me finish.

24 Q It's not responsive to the question.

1 PRESIDING OFFICER HONIGBERG: Mr.
2 Needleman, let's let him finish.

3 MR. NEEDLEMAN: Okay.

4 A You related this to Lisa Shapiro in my
5 testimony. She is not an expert appraiser. She
6 has offered as a valuation methodology, nothing
7 more than. Original cost less depreciation of
8 book value, and as we know in New Hampshire,
9 that goes to zero. And I've stated that in my
10 testimony and that is wrong.

11 Q Okay. Now let's go back to --

12 A It's not a matter of opinion. She's not an
13 appraiser. It's just wrong.

14 PRESIDING OFFICER HONIGBERG: Okay. I
15 think you've finished your answer now. Mr.
16 Needleman.

17 Q Now let's go back to my question which had
18 nothing to do with Dr. Shapiro. My question was
19 related purely to this case and the relationship
20 between you and Mr. Kelly. And in this case,
21 this wasn't two credible experts differing on
22 opinions. The Court in this case found that
23 your expert testimony was not credible, correct?

24 MS. PACIK: Objection. I think he's

1 mischaracterizing the Order. First page
2 actually contradicts what Attorney Needleman is
3 saying.

4 MR. NEEDLEMAN: No, it doesn't.

5 PRESIDING OFFICER HONIGBERG: Why don't you
6 show us, Mr. Needleman, because I forgot, and I
7 remember that word credible is in there, but why
8 don't we look at it so we're not confused.

9 MR. NEEDLEMAN: Page 10, the Court called
10 the testimony pure supposition. Page 13, or
11 page 17, the Court talked about without any data
12 to support the conclusion.

13 PRESIDING OFFICER HONIGBERG: There was
14 another provision. The first one you showed,
15 Mr. Needleman, I think. The Court said that he
16 was qualified but. And I don't remember what's
17 after that.

18 MR. NEEDLEMAN: While the Court believes
19 Sansoucy is a qualified expert, for the reasons
20 stated in this order the Court believes that
21 Mr. Kelly's testimony is more credible than
22 Sansoucy's. That was the original statement.

23 PRESIDING OFFICER HONIGBERG: Right. So I
24 think that's not precise -- the way you

1 characterized your question is more than the
2 Court said.

3 MR. NEEDLEMAN: Well, except the Court, my
4 question was with respect to the Court's
5 statement about pure supposition and without any
6 data to support the conclusion. And the Court
7 says at the bottom of 18, the Court finds
8 Sansoucy's conclusion unpersuasive.

9 PRESIDING OFFICER HONIGBERG: Yes, but I
10 think the phrase you used was not credible, and
11 the Court didn't quite get there. He just said
12 Kelly was more credible and then said a lot of
13 other things, but that's, I think, where Ms.
14 Pacik was, the problem Ms. Pacik identified, and
15 I think she was right.

16 MR. NEEDLEMAN: Okay. I'll move on then.

17 BY MR. NEEDLEMAN:

18 Q Mr. Sansoucy, is it correct that the Town of Bow
19 appealed this to the Supreme Court, and it's
20 still pending there?

21 A Yes.

22 Q Okay. You also performed work for the Town of
23 Hampton to assess property owned by Nextera
24 Energy Corporation; is that correct?

1 A No.

2 Q You haven't done that?

3 A We have not assessed any property for Nextera
4 for the Town of Hampton.

5 Q So you never were employed by the Town of
6 Hampton to do assessment work for them?

7 A We were employed -- not assessment work. We've
8 been employed by the Town of Hampton to assist
9 them in a number of appeals that were generated
10 by values that the town set on some of its
11 utility properties.

12 Q And one of those utility properties was Nextera
13 Energy Facility, correct?

14 A No.

15 Q All right. Well, maybe you can explain this
16 then. Let's put up Exhibit 436. And go to the
17 next page.

18 So this is a Summons in a Civil Action
19 filed by the Town of Hampton against you. Are
20 you familiar with this?

21 A Yes, I am.

22 Q Okay. And because this is a pending lawsuit,
23 I'm not going to ask you to comment about any of
24 the substance of this. I'm just going to ask

1 you a couple of questions.

2 In this case, Hampton was your former
3 client; is that correct?

4 A Yes.

5 Q And the case involved your valuation of certain
6 utility property; is that correct?

7 A No.

8 Q What did it involve then?

9 A You said you weren't going to ask any questions.

10 Q All right. Let's move on to the next page.
11 Fair enough.

12 To the Summary. Go back to the first page.
13 I'm sorry. Go down one more. Yes. That's it.

14 So according to this Complaint, it says the
15 action seeks damages from the former contract
16 appraiser, which is you, and consultant to the
17 Town of Hampton as a result of glaring
18 deficiencies in the appraisal procedure and
19 undertaking provided by the Defendants, George
20 Sansoucy, et cetera.

21 Is that correct?

22 A That's what the allegation says.

23 Q So the Town, in fact, has sued you for work you
24 did, and it's their assertion that the work had

1 glaring deficiencies. Is that correct?

2 A That's their assertion.

3 Q Okay. And I won't ask you anything further.

4 Let's go on to the next one.

5 You were involved in an investigation of
6 your conduct initiated by the US Federal Energy
7 Regulatory Commission at one point; is that
8 correct?

9 A Yes, in 1984.

10 Q Let's pull up Exhibit 434.

11 Exhibit 434 is an Order Approving a
12 Stipulation and Consent Agreement, and I assume
13 you're quite familiar with this document?

14 A Yes, I am.

15 Q On page 1 it states that The Branch of
16 Enforcement of the Office of the General Counsel
17 of the Federal Energy Regulatory Commission and
18 George Sansoucy stipulate and agree to the
19 following.

20 Do you see that?

21 A Yes. I do.

22 Q And then it goes through, and what I want to do
23 is look at a couple of the stipulations here.

24 So let's go to the next page, Dawn. Page 3, I

1 think.

2 And the first yellow highlighted section,
3 these are the assertions of the Enforcement
4 Division of FERC, and what they said was with
5 respect to the work you did in the particular
6 case, "Sansoucy knew that the paragraphs and
7 letter contained misrepresentations and
8 omissions which rendered them misleading.
9 Accordingly, Sansoucy's conduct constituted
10 unethical or improper professional conduct
11 within the meaning of Rule 2102 of the
12 Commission's Rules of Practice and Procedure,"
13 correct?

14 A That was the allegation that was made.

15 Q Understood. And then your response to the
16 allegation was below. So let's go to that.

17 And your response was that "Sansoucy
18 neither admits nor denies that his conduct
19 constituted unethical or improper professional
20 conduct," correct?

21 A Yes. That's correct. For purposes of
22 settlement.

23 Q Correct. And so we have the allegations of FERC
24 and we have your response and that's it here; is

1 that correct?

2 A For purposes of settlement, that is correct.

3 Q Understood. Let's move on to the next topic.

4 Again, your testimony, the initial
5 testimony, page 3, line 23, you state that
6 quote, it's not, with respect to the Project,
7 not clear or demonstrated NPT is even needed.

8 Do you recall saying that?

9 A I've said that many times, sir.

10 Q So, in fact, there's no requirement in the
11 siting process under RSA 162-H that an Applicant
12 has to demonstrate need; isn't that correct?

13 A If there's no need, what are we doing here?

14 Q That's not my question. There's no requirement
15 under 162-H that an Applicant has to demonstrate
16 need, correct?

17 A I disagree. I think clearly in the public
18 interest if it's needed. It would be clearly
19 not in the public interest if it's not needed.

20 I disagree.

21 Q Tell us where in the statute it requires an
22 Applicant to demonstrate need.

23 A Need or public interest.

24 Q I'm using your words. "Need." You said --

1 A It's not needed. It's not needed. That's my
2 opinion.

3 Q I understand that's your opinion.

4 A I believe that that would fall squarely in the
5 public interest standard.

6 Q Let's take a step back, Mr. Sansoucy. Everyone
7 understands your opinion is that it's not
8 needed. My question to you is show me where in
9 the statute that's a standard that the Applicant
10 has to meet.

11 MS. PACIK: Objection. This is a request
12 for a legal opinion, first of all, and I also
13 think Mr. Sansoucy explained the public interest
14 standard.

15 PRESIDING OFFICER HONIGBERG: I don't think
16 I understood what his explanation was at all.
17 So I'm going to ask Mr. Needleman to clarify it
18 with him.

19 MS. PACIK: Okay.

20 BY MR. NEEDLEMAN:

21 Q Mr. Sansoucy, tell me what basis you have for
22 saying that the Applicant is obligated to
23 demonstrate need. Show me where in the statute
24 you find that obligation.

1 A The only reason that you would approve a project
2 of this magnitude is if it was needed. It's
3 going into the streets of communities, it's been
4 declared a public utility as a result of that,
5 and without a need, it is not in the public
6 interest to approve. And I think that the
7 statute is very clear that the Board ultimately
8 has a public interest obligation to the people
9 of the State of New Hampshire. The SEC.

10 Q So you're saying that the obligation to
11 demonstrate need is in the public interest
12 section?

13 A At a minimum. Yes. That's my belief.

14 Q I didn't see that anywhere in that section. I
15 looked.

16 A You saw the public interest section.

17 Q I looked very carefully at that public interest
18 section. I don't see anything like what you're
19 saying. You want to tell us where it is?

20 A What are you talking about? If it's not needed,
21 how could it possibly be in the public interest?
22 Are we just debating semantics?

23 Q Back to my question, Mr. Sansoucy.

24 You're relying on the public interest

1 section of the statute to support the assertion
2 that an Applicant has to demonstrate the project
3 is needed. I'm saying I don't see it there.

4 Can you show it to us?

5 A The public interest section you can see. Right?
6 That's in the law. You see that.

7 Q We're talking past each other. Maybe I'll just
8 move on.

9 Let's do it this way. When you make the
10 assertion, it's not in any way tied to the law.
11 Right? This is simply your assertion. It's an
12 unsupported opinion from somebody who's never
13 testified in front of the Committee before,
14 correct?

15 MS. PACIK: Objection. This is, again,
16 asking for a legal opinion.

17 PRESIDING OFFICER HONIGBERG: I don't know
18 that that specific question was asking for a
19 legal opinion, but I don't know that that
20 question was going to produce any valuable
21 answer.

22 BY MR. NEEDLEMAN:

23 Q Okay. Let me try it a different way. Other
24 that than your citation to the public interest

1 section, and everybody will be able to read it
2 and make a determination for themselves, is
3 there any other section of 162-H or any of the
4 rules you're relying upon to support your
5 assertion that an Applicant before this
6 Committee needs to demonstrate need?

7 A I think that the public interest standard is the
8 highest standard we operate under, whether it be
9 at the Public Utilities Commission, in front of
10 this Commission, or elsewhere in the United
11 States. And I think if there's no need for a
12 project of this magnitude with this much
13 disruption, there is no public interest.

14 Q Let's move on --

15 A Without a public interest, it's not needed. We
16 don't need to do it.

17 Q Let's move on to the tax assessment issue.

18 The New Hampshire Supreme Court has on
19 several occasions addressed the issue of
20 methodology for valuations; is that right?

21 A The New Hampshire Supreme Court?

22 Q Yes.

23 A Many occasions.

24 Q And Applicant's Exhibit 135 which we'll pull up

1 is the Appeal of PSNH, it's a Supreme Court
2 decision, and in this case, the court actually
3 agreed with your valuation methodology. Is that
4 right?

5 A Which one is this?

6 Q Take a minute to look at it. Do you remember
7 this case?

8 A Is this the, is this the 62 communities --

9 Q I actually don't remember.

10 A -- that came out of the Board of Land and Tax
11 Appeals?

12 Q I don't remember, but let's go to page --

13 A Well, if you want me to remember it, a lot of
14 cases that have come out in the last ten years.
15 So do you have a copy of the case?

16 Q Let's go to the next page, Dawn, so Mr. Sansoucy
17 can see it.

18 Does that help you, sir?

19 A This is -- back up if you would, Mr. Needleman.
20 Is this the Supreme Court decision?

21 Q Yes.

22 A Okay. I need a copy of the case.

23 MS. PACIK: If Attorney Needleman could
24 show Mr. Sansoucy the procedural history page, I

1 think this would help expedite this discussion.

2 Q Sure, and, actually, I'm only going to point to
3 one element of the case so maybe I could do
4 that, and then if we need to go back we can do
5 it because this may not be necessary.

6 MS. PACIK: I'm going to object because
7 Mr. Sansoucy has testified he doesn't know which
8 case you're talking about. So before he agrees
9 to anything, I'd like to make sure he knows what
10 case he's referencing.

11 PRESIDING OFFICER HONIGBERG: That's not
12 unreasonable, Mr. Needleman.

13 MR. NEEDLEMAN: Okay.

14 PRESIDING OFFICER HONIGBERG: Let's make
15 sure Mr. Sansoucy knows which case we're talking
16 about here.

17 MR. NEEDLEMAN: Okay.

18 BY MR. NEEDLEMAN:

19 Q Take a look at that, Mr. Sansoucy.

20 A Okay. This is one half of the case.

21 Q Okay.

22 A Out of the BTLA on Public Service valuation.

23 Q All right. Now I want to go to page 8. And the
24 only purpose I'm pulling this up is because the

1 Supreme Court in this case said that we have
2 never held that a single valuation approach or
3 specific combination of approaches is correct as
4 a matter of law.

5 Are you familiar with that concept?

6 A You're stating the obvious. That's been in the
7 law since 1950.

8 Q Right, and since it's obvious --

9 A That's what we operate under.

10 Q And since it's obvious, you'd also agree with me
11 that whether Dr. Shapiro is right or you're
12 right is not a question for the two of you.
13 It's a question for this Committee and a legal
14 issue to be resolved, correct?

15 A I did not think that this Committee was actually
16 arbitrating an appraisal in this proceeding.
17 And to the best of my knowledge, I've never seen
18 where they do arbitrate value. So I didn't
19 think that that was what was before us. I made
20 a very clear statement in my testimony that the
21 method of taxation and value that Lisa Shapiro
22 is proposing, Dr. Shapiro is proposing, is one
23 that is book value that takes the property to
24 zero and has been resoundingly defeated and

1 spoken against by the Supreme Court for years in
2 the State of New Hampshire.

3 Q And, actually, that's not true, but, again,
4 we'll allow the Committee to resolve that
5 because would you agree it's ultimately a legal
6 conclusion?

7 A There's two conclusions. One is appraising and
8 Madam Shapiro is not an appraiser. The second
9 is whether or not this Committee is going to
10 take on the additional task of arbitrating fair
11 market value between appraisers, and the only
12 appraiser in this room that I'm aware of is me.

13 Q So let's try this. Let's assume for the sake of
14 argument that you're correct and Dr. Shapiro is
15 wrong and that her book value approach actually
16 underestimates the taxes that would be due to
17 these communities. You with me?

18 A Yes.

19 Q That means if you're right and the Project is
20 built, then they would actually pay more in
21 taxes to these communities than Dr. Shapiro has
22 said they would pay?

23 A That's correct.

24 Q Okay. And, in turn, that mischaracterization

1 means that the economic benefits to these
2 communities would be greater than Dr. Shapiro
3 has estimated, correct?

4 A No. Because what happens is, and it has already
5 happened on Hydro-Quebec Phase I and II, is that
6 the property as it goes to zero it reaches a
7 hump and starts back down and then goes down to
8 zero. The long-term present value of the value
9 in the property taxes erodes and is
10 substantially less than fair market value
11 because it goes up and then tails off and goes
12 back down under her scenario.

13 Q I'm not talking about her scenario. I'm talking
14 about your scenario.

15 A In my scenario?

16 Q I'm asking you to assume you're correct.

17 A If I'm correct, it's fair market value as upheld
18 by the New Hampshire Supreme Court. It's not
19 book value. It's the same value that New
20 England Power Company and National Grid have
21 settled on repeatedly for the method of value to
22 be used for Hydro-Quebec Phase I and II in
23 multiple court cases, and it is fair market
24 value that does not tail off to zero because

1 it's a book value.

2 Q And every town as a result would get more taxes
3 under your approach than under Dr. Shapiro's
4 approach, correct?

5 A They eventually will get more taxes as fair
6 market value, that is correct, and it will be
7 proportional and equal under the Constitution in
8 the State.

9 Q On page 11, line 10 of your testimony, we heard
10 you talk about this a little bit before, you
11 said the depth of the line as proposed is too
12 shallow. Do you remember saying that?

13 A Where are you, sir?

14 Q Page 11, line 10. This is an issue you also
15 talked about with Mr. Pappas a little bit.

16 A Yes, I do say that.

17 Q You told me at the Tech Session that you have
18 not previously worked on a project that involved
19 the installation of a high voltage transmission
20 line in any road; is that right?

21 A That's correct.

22 Q Now, have you had the opportunity to review New
23 Hampshire DOT's final approval with conditions
24 in this docket?

1 A I've looked at the final conditions. I've also
2 looked at the initial set of requests and
3 conditions.

4 Q And do you recall condition 15 which is on page
5 5 of that approval? I can pull that up if you
6 need to.

7 A Pull it up. I don't recall.

8 Q Okay. Dawn, let's pull it up.

9 It relates to this issue that you're
10 talking about regarding depth, and that's
11 condition 15.

12 So the Department of Transportation has now
13 spoken to this issue and specified exactly what
14 the depth will be in this approval. Is that
15 right?

16 A Not quite what they're saying here.

17 Q So they say here, to the mass and extent
18 practicable, it goes underneath existing
19 utilities, and it specifies the depth in roads,
20 right?

21 A No. That's not what it says. It says what it
22 says. And that doesn't address completely my
23 concerns.

24 Q So when you say it's too shallow, I take it then

1 you're disagreeing with DOT on this condition?

2 A I disagree with 24 inches at a minimum.

3 Absolutely. That is too shallow.

4 Q So your opinion is DOT got this wrong.

5 A Yes. They got that one wrong as engineers.

6 Q All right. On page 12 of your testimony
7 beginning on line 7, I'll give you a minute to
8 get there.

9 A Page 12. Line 7.

10 Q You said that there's been no explanation given,
11 quote, "as to how to dissipate the heat from the
12 electric line to the surrounding soil without
13 creating uneven thaw in the soil and the road
14 base."

15 Do you remember that?

16 A Yes.

17 Q I think you said before when Mr. Pappas was
18 questioning you, you said we don't know the
19 freeze/thaw ratio. Remember that?

20 A We do not.

21 Q So did you have a chance to read the ABB report
22 that was attached to Nathan Scott's Supplemental
23 Testimony?

24 A Yes.

1 Q And in that ABB report, there's a section, the
2 report is titled Cable Interaction with Soil
3 Temperature Analysis, right?

4 A Yes.

5 Q And at page 5 of the report, the consultant
6 concluded that the potential for frost heaves is
7 negligible.

8 Do you recall that?

9 A Page 5.

10 Q Of the report.

11 A Of the ABB report?

12 Q Yes.

13 A Okay. Where in the ABB report on page 5?

14 Q The consultant concluded that the potential for
15 frost heaves is negligible.

16 Do you recall the consultant saying that in
17 the report?

18 A I'm on page 5 of ABB. Where are you?

19 Q In the ABB report.

20 A Yes. Where does it say that?

21 Q I don't have it right in front of me. Do you
22 recall them saying that?

23 Dawn, it's APP53663.

24 First sentence, second paragraph down. Of

1 note is the potential for frost heave being
2 caused by cable system being warmer than the
3 surrounding soils is negligible, correct?

4 A Where are you? I'm on the second paragraph
5 down.

6 Q Look at the screen. Dawn, can you highlight
7 that, please?

8 A Yeah, but read the paragraph above it.

9 Q Well, you're free to read the paragraph above
10 it. What does it say?

11 A It cannot be assumed that there will not be
12 special condition where the air temperature is
13 changing so fast that the soil holds a
14 temperature different than the air and a
15 potential for ice to form or ice to melt could
16 happen. This will be a short time period and
17 surrounding soils will be experiencing the same
18 temperature difference.

19 This is not an absolute. I've read this.
20 It still doesn't answer the primary concern 24
21 inches deep where the heat is going. And go
22 over this with a ten-wheeler. Go over this with
23 a tractor trailer. And we have so many days and
24 nights of freeze/thaw that at what point is this

1 going to become a detriment and the wheels are
2 going to go into the trench.

3 Q Are you familiar with the fact that the
4 Department of Transportation looked at this
5 report and granted an Exception Request based on
6 the finding in here?

7 A I'm familiar that they've granted their final.
8 I'm familiar with it. But as an engineer,
9 professionally, I can disagree with this.

10 Q So with respect to the Exception Request that
11 was granted where the Department of
12 Transportation found that the effects were not
13 going to be problematic on Tier 2, 3 and 4
14 roads, I assume then that you disagree with that
15 conclusion as well.

16 A I do. I think there are going to be more
17 problems than, especially at an 86 percent
18 capacity factor, that level, I don't think it's
19 clear at all that there's not going to be
20 problems with only 24 inches deep.

21 Q All right.

22 A The Department is free to do what it wishes to
23 do, but if I were a Department Chairman, I would
24 not approve it.

1 Q Another set of questions. Your initial
2 testimony was filed on November 15th, 2016. Is
3 that right?

4 A Yes.

5 Q On page 17, lines 12 to 14, and then on 22, you
6 asserted that, quote, ratepayers would be best
7 served through a New Hampshire Public Utilities
8 Commission proceeding. A docket should be
9 opened.

10 Remember saying that?

11 A Where are you, sir?

12 Q Page 17, lines 12 to 14, and then 22.

13 A What is your, lines 11 to 14 is the answer.
14 What's your question?

15 Q Lines 12 to 14 and 22. Dawn, can you call that
16 up? Page 17. Line 12 to 14. We have the
17 question. Does the testimony in the case
18 provide the legal assurance that New Hampshire
19 ratepayers will be held harmless from any
20 obligation to pay for Northern Pass.

21 Do you see that?

22 A I'm on page 17. Are you on 11/15/2016?

23 Q Why don't you just look at what we've got right
24 in front of you there.

1 A Okay. I'm on a different line number than you
2 are. Are you on question 41, sir?

3 Q Yes. Do you see that question?

4 A Okay. That starts at line 15.

5 Q Why don't we look at the screen so we're all
6 talking about the same thing.

7 A What's on your screen and in my book is
8 different. That's the only reason I say it, but
9 I can get to it.

10 Q Okay. And, Dawn, if you can expand it a little
11 bit because I want to look at line 22. All
12 right.

13 And you're then asked what form should the
14 assurance take, and you say ratepayers would be
15 best served through a New Hampshire Public
16 Utilities Commission proceeding. Is that right?

17 A Yes, as of 11/15.

18 Q So are you familiar with the fact that
19 subsequent to this testimony the PUC actually
20 engaged in a proceeding similar to the one that
21 you're requesting here?

22 A I'm familiar with the fact that the PPA was
23 withdrawn that created the substance of this
24 concern.

1 Q Let's put up Applicant's Exhibit 78, Dawn?

2 Are you familiar with this Order issued by
3 the PUC?

4 A This you brought up at the Tech Session, and
5 this is the order that created the debate you
6 and I had where we said --

7 Q Mr. Sansoucy, I'm just asking if you're familiar
8 with it.

9 A Yes.

10 Q Okay. Let's look at page 2 of the Order.
11 There's a listing there in the middle of the
12 page of all the municipalities where Northern
13 Pass was seeking utility status. Do you see
14 that?

15 A Yes.

16 Q And, in fact, most if not all of these except
17 for Littleton are your clients, right? In this
18 case?

19 A Not most but all. Some.

20 Q And none of those clients intervened in this PUC
21 proceeding, right?

22 A No, they did not.

23 Q And you didn't intervene in this proceeding,
24 right?

1 A No, we did not.

2 Q Right?

3 A That's right.

4 Q Let's look at page 7 and 8 of the Order. In
5 this Order, the PUC specifically deals with
6 rates for the DC and AC portion of the line. Do
7 you remember that?

8 A When you say rate, the rates weren't even
9 determined at that point. This is just allowing
10 them to be a public utility.

11 Q And it addresses concerns about rate impacts on
12 consumers, right?

13 A Say again.

14 Q It addresses the concerns that you raised about
15 rate impacts on consumers, right?

16 A No, that wasn't the concern that we raised
17 originally. The concern that we raised
18 originally was in the Tech Session we went
19 through and we read to you that level, that area
20 of concern, what you were saying versus what the
21 PUC said. That wasn't, that wasn't this
22 section.

23 Q So your concern is with respect to, your
24 testimony, you're saying, related to the PPA?

1 A It related to this order as it discussed the
2 PPA. This order was part of that debate we had
3 back then.

4 Q Right, except this Order speaks to the issue
5 that I understood you were addressing. Are you
6 saying this Order does not address the issues of
7 concern that you were raising?

8 A Have you got a copy of the Order?

9 Q It's right in front of you.

10 A Well, you're going to need to give me a copy and
11 I'm going to have to go through and find you the
12 area that we talked about at the Tech Session
13 that was our concern.

14 Q Let's go back to your testimony. Let's go back
15 to the section of the testimony we just looked
16 at, Dawn.

17 You first talk about the PUC opening up a
18 process to hold ratepayers harmless. You were
19 then asked what assurance, what form of
20 assurance it should be, and you talk about this
21 proceeding.

22 My question to you is straightforward. Do
23 you believe that the proceeding I just showed
24 you addresses your issue of concern?

1 A I need a copy of this order, complete, and the
2 portion of the order that dealt with the PPA.

3 Q Mr. Sansoucy, I asked you if you were familiar
4 with the Order and you said yes. We talked
5 about it at the Tech Session. So I'm now asking
6 you based on those conversations and your
7 familiarity with the Order, does it address the
8 concerns raised here?

9 MS. PACIK: Objection. This has already
10 been asked several times, and I think
11 Mr. Sansoucy has made it clear he'd need to
12 review the full order. He doesn't have complete
13 recall of it as it sits here.

14 PRESIDING OFFICER HONIGBERG: Do you have
15 access to the full order that Mr. Sansoucy can
16 scan?

17 MR. NEEDLEMAN: Yes.

18 BY MR. NEEDLEMAN:

19 Q Dawn, pull up the whole order, please?

20 Mr. Sansoucy, tell us which parts you want
21 to look at.

22 A Do you have a copy of it?

23 Q No.

24 A I can't scroll it.

1 Q Well, we're doing things electronically here so
2 we'll start at the first page and scroll for
3 you.

4 MS. PACIK: Could we make a request? I
5 think Dawn has a printer. Maybe a copy of the
6 Order could be printed for Mr. Sansoucy for
7 faster reading.

8 Q And maybe what I can do is shortcut this because
9 this is my last question. All I want to know is
10 does this order address the concerns that
11 Mr. Sansoucy raised. So I'm happy to leave it
12 there, I'll sit down, and he can look at it and
13 he can just tell us yes or no when he's had the
14 chance.

15 PRESIDING OFFICER HONIGBERG: Fair enough.

16 Q Okay. Thank you, Mr. Sansoucy. We'll print it
17 for you.

18 PRESIDING OFFICER HONIGBERG: Let's go off
19 the record.

20 (Recess taken 4:30 - 4:38 p.m.)

21 PRESIDING OFFICER HONIGBERG: We're going
22 back on the record, and would you read the
23 pending question to the witness, and we'll see
24 if we can get an answer now that he's had a

1 chance to read the Order that Mr. Needleman had
2 given him.

3 COURT REPORTER: Mr. Sansoucy, I asked you
4 if you were familiar with the Order and you said
5 yes. We talked about it at the Tech Session.
6 So I'm now asking you based on those
7 conversations and your familiarity with the
8 Order, does it address the concerns raised here?

9 A The Order has not changed our original concerns
10 at the Tech Session that related to our comment
11 that the Company's argument that there was no
12 liability to the people of the State of New
13 Hampshire we have flatly disagreed with. The
14 Order has not been changed, and the Order still
15 stands.

16 Our concern has always been with Section H
17 of page 7 of the Order, Rate Treatment and the
18 outclause that's in the Rate Treatment in the
19 Order on page 8, the last full sentence of
20 Section H is the outclause on no harm to the New
21 Hampshire ratepayers.

22 PRESIDING OFFICER HONIGBERG: Mr.
23 Needleman?

24 MR. NEEDLEMAN: Thank you.

1 PRESIDING OFFICER HONIGBERG: Mr. Walker?

2 **CROSS-EXAMINATION**

3 **BY MR. WALKER:**

4 Q Good afternoon, Mr. Sansoucy. My name is Jeremy
5 Walker. We met before at the Technical Session,
6 and I am also counsel for the Applicant.

7 I'm going to limit my questions to you to
8 the impact on property values, some of your
9 opinions related to that, okay?

10 A Okay.

11 Q Today, and in your Prefiled Testimony, you have
12 a number of different criticisms of
13 Dr. Chalmers' work, and what I'd like to do is
14 just make sure that, confirm that I understand
15 the gist of your criticisms, and so we'll run
16 through a couple of those, and then I want to
17 ask you some questions about that.

18 In particular, you know that Dr. Chalmers
19 presented to this Committee a literature review
20 of various papers dealing with the impacts of
21 high voltage transmission corridors on property
22 values, correct?

23 A Yes.

24 Q And you were critical of his literature review

1 that he presented to the Committee, right?

2 A Yes.

3 Q In fact, and you don't have to pull this up, I
4 will read it to you.

5 In your Prefiled Testimony, on December
6 30th, you note that Dr. Chalmers' presentation
7 of the literature review is irrelevant to the
8 present deliberations on Northern Pass,
9 misleading and disingenuous, right?

10 A Yes. That sounds like something I would say.

11 Q And you're aware, though, that his conclusions
12 with regard to the potential impact on property
13 values by the Northern Pass Project was not
14 based on the literature review but his
15 individual case studies in New Hampshire,
16 correct?

17 A No. I think he presented all of that literature
18 review to try to bolster his concept and his
19 ideas that as he stated and as Mr. Needleman
20 pointed out that the only valid way to do this
21 is retrospective. We fundamentally disagree at
22 the 30,000 foot level.

23 Q I understand that.

24 A Retrospective analysis is not appropriate, and

1 he's tried to bolster it with retrospective
2 literature reviews.

3 Q Okay. As far as the, what you call the
4 retrospective analysis, you're aware that he did
5 the 58 case studies, the individual case studies
6 in New Hampshire. He was looking at properties
7 that are bordering existing corridors, correct?

8 A These are the Underwood properties? The
9 Underwood study? He didn't do them. Underwood
10 did.

11 Q Right. It was something that was in his report
12 that he looked at the Underwood case studies,
13 right?

14 A That Underwood did, yes.

15 Q You've been critical of that approach. You've
16 been calling it the retrospective studies, and I
17 think in your, I know in your Prefiled Testimony
18 you said that the retrospective studies are
19 largely invalid and irrelevant, right?

20 A Where did I say that?

21 Q You say it on, it's actually your 12/30
22 testimony, and it's page 23, line 22, which is
23 exhibit -- Dawn has it in front of you on the
24 screen.

1 A 12/30.

2 Q You can look on the screen right here, and it's
3 up there.

4 You're saying retrospective studies are
5 largely invalid and irrelevant, correct?

6 MS. PACIK: Just to clarify, I don't think
7 that's the December 30th testimony.

8 Q I'm sorry. Wrong one? It's actually the first,
9 the first one, November 15th, 2016. Thank you.

10 MR. IACOPINO: Just so there's no
11 confusion, this is SAN 1.

12 Q He's referring to the exhibit in this
13 proceeding. It's SAN 1.

14 Do you have it in front of you,
15 Mr. Sansoucy?

16 A Not quite yet.

17 Q It's right on the screen.

18 A Yeah, I understand, but it's just, and my copy
19 is slightly, the numbering side of the left is
20 out of sync with yours. Okay. I'm with you.

21 Q All right. My question was this was your
22 criticism of the retrospective studies, and you
23 said that it's largely invalid and irrelevant,
24 right?

1 A Yes. I did say that.

2 Q In the very next sentence you explain that once
3 the line is constructed, the impacts are
4 immediately embedded into the market.

5 A Correct.

6 Q And then lastly, on page 24, line 6, you say the
7 value of the -- I'm sorry. Line 6. Equal
8 paired sales say nothing of the effect on value
9 of the electric transmission line because the
10 effect is built in.

11 A Correct.

12 Q So, again, that's your general criticism of this
13 retrospective approach.

14 A That's right.

15 Q But isn't that precisely why a retrospective
16 analysis makes sense? You want to look at an
17 existing corridor, you want to look at homes
18 that border that corridor and compare them to
19 homes that have no influence from the corridor
20 and make an analysis, right, make a comparison,
21 correct? To measure the impact of the corridor
22 on the property value by looking at these paired
23 sales?

24 A In the valuation of that paired sale, you don't

1 have a clean difference of a property outside
2 versus a property inside, inside against the
3 corridor, so to speak. That value has already
4 got the impact embedded in it. So you're going
5 to have to, you can, if you can find an
6 identical property in that run where you can
7 take the transmission line and eliminate it,
8 inside the existing property on that street,
9 then you would have a legitimate paired sale.
10 It's been there for years. And now you're going
11 to go off and you're going to take one from a
12 different neighborhood and compare it to one up
13 against the transmission line.

14 I will grant you, if you work with the same
15 neighborhood, and you try to find exactly the
16 similar properties within the neighborhood that
17 you're using for your mass appraisal so you've
18 got similar values, you may get some additional
19 accuracy in doing that. So I'm not going to say
20 that what Mr. Underwood did is completely
21 erroneous. But at the end of the day, you're
22 going to have to do it with neighborhoods,
23 you're going to have to do it almost identical,
24 and then you're going to have to compare the

1 sales.

2 Q And he's limited it to the sales that have
3 occurred, right? When you're looking at it, you
4 have to base it on sales that have occurred and
5 indeed some of the ones that he reviewed, many
6 of the ones he reviewed, are comparables within
7 the same neighborhood, same area?

8 A Yeah, but you also have to make sure they're
9 qualified which I don't see they were qualified.

10 Q Well, that's your position.

11 A Yeah. Right. But that's the only area that Mr.
12 Underwood, I think, was going in the right
13 direction as compared to Chalmers, but it's more
14 important that you look at and remember that it
15 is ultimately what is going to be the effect on
16 that property tomorrow when this line is built.

17 Many of those that he used, Mr. Underwood
18 used, are not about a line the size and
19 magnitude of this line. It's about a much
20 smaller line. A lot of them are the 115 kVs,
21 much shorter. So their relative impact is not
22 as great.

23 Q Well, I heard you say that earlier, and I was
24 surprised by that, because if you look at the

1 three different corridors that was used by
2 Dr. Chalmers and Mr. Underwood, there were three
3 different corridors that were studied where the
4 58 K studies came from. And I'm reading the
5 description of Corridor 1. And it's a corridor
6 that stretches from Littleton -- and I can refer
7 you to it in Dr. Chalmers' report -- it's a
8 corridor stretching from Littleton to Pelham,
9 and it's typically 350 feet wide, the
10 right-of-way, contains a 450-kilovolt DC line
11 and two 230-kilovolt lines. The 450 kilovolt is
12 typically a 95-foot high steel lattice
13 structures while the 230 kV lines are typically
14 on steel lattice structures about 65 feet high.

15 And then you also have another corridor
16 which he refers to as Corridor 3 which has 345
17 kV lines, ranging from 75 feet; you also have
18 115 kV lines on 50 foot poles. So it's not --

19 A Which is the Corridor 3? Where is that located?

20 Q In the Portsmouth area, Seacoast area.

21 A Seacoast area. Which one?

22 Q That's Corridor 3.

23 A Do you know which one it is? Do you know which
24 one it is?

1 Q I do not know which one it is. It's described
2 more fully, but I'm making the point you were
3 making a comparison and saying these are much
4 smaller. But he's actually looking at corridors
5 that have --

6 A There's a third corridor also.

7 Q There is Corridor 2 where he had 20 case studies
8 from, 28 case studies from, and this is the one
9 from Dummer in the north to Deerfield in the
10 southeast, and that has three 100 kV lines.

11 A That's the 115.

12 Q Right.

13 A That's the low 115. That's the Coos Loop down.

14 Q But the point is, I guess the point, he's
15 looking at existing corridors.

16 A Right.

17 Q You're critical of him because he's doing a
18 retrospective analysis.

19 A True.

20 Q And I understand your position is it has to be a
21 prospective analysis so you have to look at it
22 after, in this case after Northern Pass is
23 built. Then you look at the impact on property
24 values. Correct? You look at sales after the

1 line is built.

2 A You're going to have to. Have to do it in real
3 time.

4 Q How is that going to help this Committee?

5 A Because that's going to be the true impact.

6 Q But how does that help this Committee in making
7 a decision on the impact on property values?
8 Waiting until the line is built and then
9 measuring sales?

10 A I think the biggest takeaway from my testimony
11 and Mr. Underwood's work which is the one area
12 that I give some credit to, I might disagree
13 with Portsmouth because there's some unique
14 circumstances on that one line in Portsmouth,
15 these types of things, but I think the takeaway
16 for the Committee is that the impact proposed by
17 Public Service or Eversource in this line is
18 woefully understated on the future of the
19 property values where this thing is going to be
20 built, and I think that's the impact that they
21 have to take away from. That they don't know
22 and they're not going to be able to know what it
23 is. But what it is retrospectively is likely
24 far less than what the true impact is going to

1 be. And that's a qualitative analysis, it's a
2 qualitative judgment that every member in this
3 Committee is very capable of making.

4 Q So you're saying --

5 MS. PACIK: Could I just interrupt? If
6 Mr. Sansoucy could speak in the microphone.
7 Some of us are having a little --

8 A Oh, I'm sorry.

9 MS. PACIK: You are very loud without it,
10 but that's better. Thank you.

11 A I'm sorry.

12 Q That's okay. Let me ask you this. So your
13 ultimate position on the prospective analysis is
14 we don't know what the impact will be at this
15 point.

16 A Well, you never do because they haven't built
17 the line.

18 Q So I want to ask you another, a question about
19 another opinion by Dr. Chalmers. He opines that
20 although intuitively one would expect
21 transmission lines to have a consistent impact
22 on property values, that's actually not borne
23 out by the empirical data when you're looking at
24 far market property values.

1 Let me just ask you on that. Do you agree
2 with that opinion?

3 A Ask me that question again because there's
4 several things I do agree with him on. So ask
5 me that question again.

6 Q All right. He opines that although intuitively
7 one would expect transmission lines to have a
8 consistent impact on property values, that's
9 actually not borne out by the empirical data
10 when you're looking at the impact on fair market
11 values.

12 A That is true in my experience, and it's one area
13 that he and I agree on is that some people are
14 not bothered one single bit by it. Or there's
15 other attributes that they like so they're
16 willing to buy and live there for a very long
17 time, but that house hasn't resold, for example.
18 But there is variability in that data like there
19 is in all valuation data, but there is
20 variability in that data. He's correct there.

21 Q So around the time, generally around the time
22 that you were providing your Prefiled Testimony
23 to this Committee in this case, you were also
24 working on preparing a report for the town of

1 Burrillville, Rhode Island, right?

2 A Yes. We did one in Burrillville on the power
3 plant.

4 Q Right. And we talked about this a little bit at
5 your Technical Session.

6 But, Dawn, for the Committee's benefit,
7 could you pull up Exhibit 439, please.

8 You're familiar, this is the September 8th,
9 2016, report that you prepared in that case,
10 correct?

11 A Yes. My office prepared this. Came out of the
12 Portsmouth office, and this is the, this is a
13 combined cycle cogeneration plant down by Ocean
14 States.

15 Q And the purpose, now, you were retained by the
16 town of Burrillville, correct?

17 A Yes.

18 Q And the purpose was to provide the town with
19 your opinion as to the potential property value
20 impact of a new 1000-megawatt generating
21 facility, right?

22 A That was their request. Yes.

23 Q Along with the six miles of new 345-kilovolt
24 high voltage transmission lines, correct?

1 A Right.

2 Q And you provided your opinion as to the impact
3 of both the plant as well as the lines, correct?

4 A Correct.

5 Q And you looked at impact on property values that
6 could be caused by, among other things, the
7 increased traffic during the construction and
8 operation of the facility.

9 A Bring up the rest of the report. What we looked
10 at.

11 Q Let me just show you on --

12 A This is a ways back.

13 Q Dawn, if you could look at 87131, please.

14 If you look at the bullet items. It's
15 describing the potential impacts, correct?

16 A Right.

17 Q On property values?

18 A Right. Increased traffic. Visual. From the
19 stacks. That's the smoke stacks.

20 Q Right.

21 A Noise.

22 Q I want to ask you a little bit about your
23 methodology in that case and a few of your
24 conclusions because you're preparing this

1 essentially at the same time you were working on
2 your Prefiled Testimony?

3 A Yes. My associate in the Portsmouth office
4 prepared it. Mr. Walker.

5 Q You agreed with what is stated in this report,
6 right? I mean, this is your report?

7 A It's our company report. I actually did not
8 write it, but I'm not running from it either.
9 But don't expect me to memorize this. So if you
10 want to ask me questions about various things we
11 did, I need a copy to read because this went out
12 of the southern office. I'm fully aware of it.
13 I know what it is, but I don't know all the
14 words in it.

15 Q Well, let me ask you. We'll pull up the
16 provisions that I'm going to ask you about so
17 you can refamiliarize yourself with the
18 provisions I'm going to ask you about, okay?

19 A Who is it signed by, sir? Could you pull it all
20 the way up to the bottom signature?

21 Q I can show you on the front page it says
22 prepared by George E. Sansoucy.

23 A P.E., LLC. That's the company. Where's the
24 cover letter, next few pages?

1 Q I don't have a cover letter with it. I'm sorry.

2 A That's the only thing you have is the front
3 page?

4 Q I have the entire report, but if --

5 A Go all the way to the end to the certification,
6 and let's see who signed it.

7 Q I'm not sure it's relevant though. You're
8 agreeing to it --

9 A Well, it's relevant to the extent that if you're
10 going to ask me to try to tell you what's in
11 this report, I did not write it. My office did.
12 And I'd be happy to talk about it, but I need
13 to, I don't, don't ask me just like that because
14 it's not going to come to me just like that.

15 Q That's fine. That's fine. But do you review
16 reports that go out of your office before
17 they're finalized?

18 A Most of them I do, but reports from Mr. Walker
19 who is a certified general appraiser in Rhode
20 Island, as an example, most of them I do, but I
21 may not have, I may not review them word by word
22 line by line.

23 Q Fair enough. Let me ask you about some of the
24 conclusions.

1 Now, in this one, with regard to the town
2 of Burrillville, you concluded that the Project
3 would have a temporary negative impact only to
4 those properties that are located directly
5 across the new facility's entrance, and that
6 impact would be limited to the construction
7 phase. Do you recall that?

8 A Can you bring that up?

9 Q Sure.

10 A Could you show me what I said?

11 Q Sure. 87132, please, Dawn.

12 MS. PACIK: I'm just going to object to the
13 extent he's mischaracterizing who authored this
14 report. He said "you said," and I believe
15 Mr. Sansoucy has already stated this is not his
16 report.

17 PRESIDING OFFICER HONIGBERG: That's very
18 clear. The record is very clear that
19 Mr. Sansoucy did not author this report.

20 MR. WALKER: Fair enough. He's also
21 explained --

22 PRESIDING OFFICER HONIGBERG: At least, he
23 thinks he didn't. We don't know who authored it
24 right now.

1 A No. I did not. Mr. Walker authored this report
2 in the Portsmouth office.

3 Q But you reviewed this report before it went out?

4 A I reviewed it, but I did not review it line by
5 line.

6 Q Do you adopt the conclusions in this report?

7 A Yes. It's our work product. Absolutely.

8 Q Fair enough. So if we look at page 87132, under
9 your Conclusions and Potential Impact. The
10 first sentence says as a result of our research
11 and analysis, it is our opinion that there is
12 little evidence to suggest that the proposed
13 facility will have a negative impact to property
14 values in the town or on the abutting
15 properties.

16 You see that?

17 A Yes. That's right.

18 Q And also --

19 PRESIDING OFFICER HONIGBERG: Slow down
20 just a little, Mr. Walker, when you're reading.

21 Q At the bottom you see where there's a
22 description of Limited Property Impact?

23 A Yes.

24 Q And this is what I was just asking you about.

1 You did or the report concludes that there will
2 be a limited impact to property values during
3 the construction phase but only to those
4 properties located directly across the street
5 from the facility, right?

6 A Yes. That's what it says.

7 Q And this is a facility that has 200-foot-high
8 stacks, correct?

9 A Yes, but this is a facility that is located,
10 co-located on the site of a huge natural gas
11 compressor station and pipeline system where
12 multiple pipelines that feed all of New England
13 come in. This is essentially where the
14 Algonquin hub is.

15 Q Okay.

16 A It is co-sited on a very large piece of land
17 owned by Tennessee Gas.

18 Q And in fact --

19 A And itself has stacks for all the compressors.
20 So this is like the addition of what's already a
21 major industrial compressor system for the
22 natural gas pipeline system in New England.

23 Q Okay.

24 A On that site. And the site is well-sited. It's

1 back. It's away --

2 Q Mr. Sansoucy, you've answered my question.

3 A Right.

4 Q And you also, you note in there, in fact, that
5 the six miles of the high voltage transmission
6 lines are co-located with two other lines in an
7 existing corridor for the six miles; is that
8 right?

9 A That's correct. That's right.

10 Q Do you think generally that's a good idea as far
11 as minimizing impact to co-locate it in an
12 existing corridor?

13 A In this particular instance, it was an excellent
14 idea by the company to co-locate with two other
15 345-volt lines because they were already up. It
16 was a good idea.

17 Q In your methodology, I want to ask you a few
18 questions about the methodology. I say your; I
19 should say your company's methodology for
20 purposes for preparing this report. You
21 understand what I'm saying, correct, when I say
22 "your"?

23 A Let's be precise for the record.

24 Q Okay. Well, as far as your company's report,

1 they provided an literature review like
2 Dr. Chalmers did, correct?

3 A We did an updated, we did an literature review
4 in realtime, that's correct.

5 Q I wanted to ask you about that because you
6 provided a review of literature dealing both
7 with the impacts on property values from the
8 power plants generally as well as from high
9 voltage transmission corridors?

10 A That's correct, but we did it in realtime
11 because power plants of this magnitude, this is
12 a new type of facility. It's combined cycle so
13 you're dealing with literature that is generally
14 ten to 12 years old. And the same with the new
15 345s. We don't dip back into 1967.

16 Q Okay. Let me ask you about that. Because if
17 you could turn to the bibliography. I'll
18 represent to you that in the company's report
19 there is a bibliography listing the different
20 sources that your company considered, okay?

21 A We considered a wide variety of sources that go
22 way back. That's true. And they should be in
23 the bibliography.

24 Q You just explained that it was a realtime

1 analysis, but let's just look at the
2 bibliography.

3 Dawn, if you could turn to Appendix A,
4 please.

5 This is the bibliography, and you note that
6 in your text that there are four sources that
7 you cited for the impact on property values by
8 power plants, and if you look, it's the first
9 one which is dated in 1974 and then the last
10 three which are more recent.

11 A Yeah. You've got the last three which are
12 recent. And then you've got some of
13 Mr. Chalmers' work on the transmission lines.

14 Q Well, I was going to ask you about that because
15 you present only three sources, Mr. Sansoucy --

16 A Right.

17 Q -- as part of your literature review relating to
18 the impact on of high voltage lines on property
19 values. And only three sources. And they're
20 all Dr. Chalmers. You see that?

21 A That's a bibliography. That's what we reviewed,
22 but we did our own work on it. We did our own
23 research on the various, the impact of property
24 values. We did consider these reports, and we

1 did consider his new reports which are '09, '12
2 and 2015.

3 Q Right, but you've been very critical of those
4 reports to this Committee, but in your analysis
5 for the Town of Burrillville you actually cite
6 to his work, correct?

7 A We did consider these. These are new reports.
8 We been extremely critical for doing a
9 literature search of a literature search going
10 back upwards of 50 years and then trying to make
11 this Committee believe that there is a limited
12 impact on a virgin line of the magnitude of
13 Northern Pass.

14 Q Mr. Sansoucy, just, my question was the only
15 sources you cited for the impact on property
16 values to the Town of Burrillville were
17 Dr. Chalmers' reports, correct?

18 A No. You've got Davis and you've got Blomquist.

19 Q Those all relate to the impact by power plants.

20 A Right.

21 Q The only ones related to the impact of high
22 voltage transmission lines were Dr. Chalmers'
23 report; do you see that?

24 A Right. That's only in the literature search.

1 Q That's literature that you presented to the Town
2 of Burrillville in support of your conclusions,
3 right?

4 A In part. In part. In part.

5 Q Now, as you just mentioned, Mr. Sansoucy, in
6 addition to presenting the overall literature
7 review like Dr. Chalmers, you also did a case
8 specific analysis regarding Rhode Island sales.

9 A I know we did work on Rhode Island sales, but
10 you have to give me copies of it because I
11 didn't do them.

12 Q Let me just turn to Chapter 6.

13 And Dawn, if you could pull up 87156.

14 Now, earlier you were critical of
15 Dr. Chalmers' retrospective paired sales
16 analysis, right?

17 A Yes. I have them.

18 Q Isn't that exactly what you were doing in the
19 case or your company was doing in the Town of
20 Burrillville?

21 A In the Town of Burrillville, we have a power
22 plant. We have new 345,000 volt lines, and in
23 that particular instance we also had a single
24 neighborhood. In that particular instance we

1 were able to consider looking at paired sales
2 because of the newness and the nature of the
3 property and the location and the neighborhood.

4 Q In fact, what you did in the Burrillville
5 situation, you looked at two existing power
6 plants, right? One of them which you refer to
7 as OSP or, again, your company refers to it,
8 which is a 560-megawatt natural gas-fired plant,
9 correct?

10 A Sounds right, yes. That sounds right.

11 Q And you also looked at an existing Burrillville
12 compressor station which you referred to in this
13 report as BCS, correct?

14 A That's the site of the subject. That's the site
15 where the power plant was being proposed for
16 construction, and that is the gas compressor
17 system.

18 Q And like what Dr. Chalmers did, you look at
19 these two existing plants and you looked at
20 paired sales. Some that were impacted by the
21 existing power plants and other comparable sales
22 in your opinion were not impacted, and you made
23 a comparison, is that right? Or your company
24 did.

1 A Well, I think you should read 6.2 where we had
2 in OSP comparison in realtime, 2014 to 2016, we
3 had three sales within one mile of the OSP
4 plant. We looked at those sales. And we did go
5 out and look at paired sales on that account
6 because we had three sales in good proximity,
7 current sales.

8 Q Okay. And that's a good point. But if you look
9 at the 58 properties that Dr. Chalmers had in
10 his report, in his case studies, he prepared
11 that report, I believe the date was some time in
12 2015.

13 A Right.

14 Q All of the properties that he reviewed were
15 sales that took place between 2010 and 2014.
16 Not much different than what you're doing or
17 your company is doing?

18 A No. No. No. No. There's a huge difference in
19 what we're doing. We have an existing power
20 plant. 540 megawatts. We're doing an analysis
21 of the impact of a new power plant of similar
22 size very close to this. What Mr. Chalmers has
23 done is looked at the impact of land on an
24 existing transmission line that's been there for

1 upwards of -- the Coos Loop is 1954.

2 Q Let me interrupt you, and let me just ask you,
3 the OSP --

4 MS. PACIK: If Mr. Sansoucy could finish
5 his response, it would be appreciated.

6 PRESIDING OFFICER HONIGBERG: Yes, why
7 don't you finish this response, Mr. Sansoucy,
8 and let's see if you can maybe focus your
9 answers to be responsive to Mr. Walker's
10 questions.

11 A The significant difference is that what
12 Mr. Chalmers is trying to do with Northern Pass
13 is estimate the impact of something that has not
14 ever been built in the area of Northern Pass;
15 namely, the high voltage transmission line.
16 Here we have existing facilities identical to
17 what is being proposed. So there are other
18 tools and other ways that you could go at the
19 impact. This isn't a virgin area where we're
20 going to build a new power plant and there's no
21 gas compressor station. There's no existing
22 power plant, and there's no transmission lines,
23 and that is a very significant difference.
24 Where you have this embedded and this actually

1 goes to my criticism. Where Mr. Chalmers is
2 taking these embedded costs and values of
3 existing facilities that are already embedded in
4 the land values and then trying to ascribe those
5 to what's going to be the construction of
6 something completely different.

7 That is not the case here in Burrillville.
8 This is the power corridor of Burrillville.
9 There's plants, there's compressor stations, and
10 there's transmission lines so it's a different
11 animal.

12 Q Let me ask you about that because you use as one
13 of your comparisons the OSP power plant.

14 A That's correct.

15 Q Which is a 560-megawatt power plant that was
16 existing, correct?

17 A That's right.

18 Q And that was built many years prior to this
19 study. That was built in the early 1990s,
20 correct?

21 A That was 1990. That's right.

22 Q So under your theory any property impact would
23 be embedded. Any of the adjacent properties,
24 the impact would have been embedded.

1 A That's correct.

2 Q And then you do a paired sales analysis using
3 that OSP plant, correct?

4 A Well, we found three sales within a mile of the
5 plant.

6 Q Right, and that's a retrospective analysis,
7 correct?

8 A Yes. That piece is.

9 Q So while you're critical of Dr. Chalmers, you're
10 actually doing the same thing for the Town of
11 Burrillville.

12 A With one major distinction, that the plants are
13 existing. They are, you are comparing plant to
14 plant because the proposal for Clearwater is
15 another 500-megawatt plant, two units, thousand
16 total, and they're on an industrial site. So
17 it's very different than adding a new
18 transmission line, 300,000 volts, in an area
19 that never had one.

20 Q It's being, the new proposed Project is going in
21 an existing corridor, correct?

22 A The new proposed Project is going on the site of
23 an existing and active multi-building compressor
24 station for the gas system that feeds New

1 England.

2 Q I understand. I'm sorry. It was a bad
3 question.

4 I'm talking about the Northern Pass
5 proposed Project. It is going in an existing
6 corridor, correct?

7 A Where?

8 Q Well, of course, not all of it. 192 miles. 60
9 miles is buried underground.

10 A Yes.

11 Q A hundred miles of it or approximately 100 miles
12 is going in existing rights-of-way, correct?

13 A Correct. Some of it. Yes. But it's going in
14 rights-of-way of far less intensity. This whole
15 development is in an area of equal intensity and
16 equal design.

17 Q So you're comparing the OSP plant which is a
18 560-megawatt generating facility with the new
19 one that's being proposed which is over 1000
20 megawatts?

21 A The new one being proposed is two plants, and
22 they're each 500 and the ISOs picked up one of
23 them. They're going to construct one 500.

24 Q Let me move on from this topic.

1 Earlier I asked you about Dr. Chalmers'
2 conclusion that talking about intuition and
3 public perception and how that may be different
4 than the actual empirical data, correct?

5 A Yes.

6 Q If I could refer you to another part of your
7 report, and it's 87151, Dawn.

8 If you look at the, it's actually in that
9 last paragraph, the very last sentence.

10 While there might be a perception that the
11 proximity to a power plant or -- and if you
12 could on, Dawn -- HVTL should be negative, their
13 influence on property value is typically not
14 given sufficient consideration by market
15 participants to have any consistently measurable
16 effects on market value.

17 You see that?

18 A You cropped out -- where are you starting?
19 Because you cropped out --

20 Q It's starting on the prior page. Empirical
21 Evidence Versus Public Perception of Market
22 Value Effects.

23 A Okay. The first six lines of that is stating
24 the obvious. That's true here. That's true

1 there. That's nothing unusual there.

2 Q Okay. Let me get you to the next page then.
3 Page 23. And it's actually where at the very
4 bottom where, second to the last sentence where
5 it says, however, it is, and you can leave it
6 up, Dawn, as-is.

7 However, it is typically the case that a
8 perspective buyer or the market in general will
9 be less emotionally impacted by the close
10 proximity of a disamenity such as a power plant
11 and discount the impact on market value. While
12 both of these perspectives must be recognized,
13 the empirical evidence of what actually occurs
14 in the marketplace is often quite different than
15 the perceived negative impact from the owner's
16 perspective.

17 I take it you agree with that.

18 A On power plants, yes, we wrote that, and on
19 power plants we find that people, if they can't
20 see them they tend to get along with them
21 eventually.

22 Q Well, in the power plant in this case, you
23 actually did a viewshed analysis in
24 Burrillville, correct?

1 A Yes.

2 Q And there is, you did that to consider the
3 impact of the 200-foot high tower stacks, right?

4 A Right.

5 Q And the 200-foot high stacks are considerably
6 higher than any structure proposed for Northern
7 Pass, right?

8 A Well, the 200-foot stacks are part of a group of
9 stacks within that site because of the stacks
10 related to the compressor station. It has no
11 relationship to Northern Pass. Northern Pass is
12 a virgin high voltage transmission system. This
13 is a power plant on an existing site with a
14 power plant next door and a compressor station
15 and everything else so it's not, it's not
16 related to Northern Pass.

17 Q Let me ask you about your conclusion with regard
18 to the visual impact in this Burrillville case.

19 Dawn, if you could turn to page 17 of the
20 report?

21 A Yes.

22 Q It's at the bottom. You provide some photo
23 simulations, right? In the report? And I'll
24 represent to you this is the conclusion. And

1 you can see that it says the proposed facility
2 will have minimal visual impact on most
3 locations in the surrounding neighborhoods.
4 From the locations with visibility, it will be a
5 partial view, often with only the upper sections
6 of the stacks visible. Based on the existing
7 mitigation or mitigating factors such as
8 vegetation -- if you could turn that, Dawn --
9 and structures, the proposed facility is not
10 likely to have any significant visual impact
11 during daytime viewing conditions.

12 A What's your question?

13 Q Well, isn't that similar to what you have with
14 the Northern Pass Project?

15 A No. Go back to the photographs. The answer is
16 no. Look at the photographs and the simulation
17 with the two stacks. That's what, a thousand to
18 2000 feet away? It's very different than having
19 Northern Pass in your backyard.

20 Q Well, your opinion, though, is based on the fact
21 that there's only partial view of the top of the
22 structures. That it will not have --

23 A You're trying to compare a power plant. So in
24 what you just read for the -- the Board is not

1 seeing what you're seeing. Well, they're seeing
2 only the picture, I assume, right?

3 Q Well, the Committee will have the entire report
4 so they can look at the Burrillville report.

5 A Does the Committee have this in front of them?
6 Does the Committee have this in front of them?

7 Q The Committee has what you're seeing on the
8 screen in front of them.

9 A Okay.

10 Q They also have the entire report that we've
11 introduced as an exhibit. So they --

12 A You look at those two photographs and they're
13 very, very different than a power line, than a
14 Northern Pass power line in close proximity to
15 your home. Just take a look at it.

16 Q I'm asking you about the position of your
17 company in here that there is partial visibility
18 of the top of the stacks and that in your
19 company's opinion will not likely have a
20 significant impact on property values.

21 A We believed in that application of those
22 distances it would not, and we state that, but
23 it has no relationship to what you're talking
24 about Northern Pass.

1 MR. WALKER: Mr. Chair, I have about 15
2 more minutes. You want me to move on and finish
3 up?

4 PRESIDING OFFICER HONIGBERG: Go for it.

5 BY MR. WALKER:

6 Q I want to turn to your presentation,
7 Mr. Sansoucy, of the townwide impacts by using
8 assessment data in the Northern Pass case.

9 So in your Prefiled Testimony, and this one
10 is your December 30th Prefiled Testimony which
11 is SAN 2, and it's page 24. Give you a moment
12 to find that.

13 Dawn, if you could pull up page 24.

14 You probably can answer my question without
15 even reviewing it, Mr. Sansoucy. You
16 essentially are saying that municipalities can
17 measure the impact of a transmission corridor
18 and the easements by looking, you can look at
19 the tax card that the assessors use and they're
20 showing the assessors' reductions for impact by
21 the easement on encumbered properties, abutting
22 properties or the properties you described as
23 tertiary properties which are neither encumbered
24 nor abutting, correct?

1 A Well, real assessors go out and fill in real tax
2 cards, and they use their judgment in trying to
3 assess, sir, the impacts of a variety of
4 conditions of a parcel of land or home or
5 anything like that, of which electric
6 transmission lines more and more are one of
7 them.

8 As I stated very clearly in my report, this
9 is not universal in New Hampshire. It's
10 growing. It's part of the ever-increasing
11 improvement in the assessment methodology.
12 State of New Hampshire Department of Revenue is
13 now requiring assessors to look at easements.
14 So this is a growing area, growing concern and a
15 growing body of more and more information based
16 on the historic transmission lines that exist.

17 Q And then -- I understand that. But what you did
18 was you presented to this Committee tables of
19 different towns that you looked at, different
20 municipalities, correct?

21 A Correct.

22 Q And you looked at properties that abutted
23 existing transmission corridors through those
24 towns?

1 A Yes, we did.

2 Q And I believe there are 8 towns. I can't recall
3 if it's 7 or 8, Mr. Sansoucy, but you included,
4 for instance, Concord, Dunbarton, Goffstown,
5 Hudson, Pembroke, and there may have been one or
6 two more.

7 A Yeah, you're in the ballpark. That's right.

8 Q And you produced to this Committee the tables
9 summarizing those different impacts that you
10 determined based on looking at the tax cards,
11 right?

12 A We produced a summary of how those tax cards
13 work. The various types of adjustments that are
14 made on some of those tax cards that are along
15 that corridor, and the fact that this is, and we
16 stated clearly, this is something that is
17 beginning to be done more and more often and in
18 more and more levels of completeness, but we
19 also stated that ultimately it's the judgment of
20 the lister and some of them will put an
21 adjustment on in a certain fashion that they'll
22 do it as a total adjustment. Some of them
23 actually put it on the buildings.

24 Q You've provided in discovery nearly 2000 tax

1 cards?

2 A That's correct. We did.

3 Q Supporting these tables?

4 A That's right. We did.

5 Q And the Committee has not been provided all of
6 those tax cards, but instead you summarized and
7 you provided the tables to the Committee, and
8 these are in an exhibit to the Committee, and I
9 think it's Exhibit 39, but let me ask you. I'm
10 not going to go through every table that you
11 provided to the Committee.

12 A Yes.

13 Q But let's look at one of them which is the town
14 of Dunbarton.

15 And, Dawn, if you could pull up Exhibit
16 433, please.

17 A Are you on 39?

18 Q I'm on a new exhibit. This is the table that's
19 included in Exhibit 39, Mr. Sansoucy, for the
20 Town of Dunbarton, but this exhibit also
21 includes the tax cards that you provided in
22 discovery for the Town of Dunbarton. Do you see
23 the first page of that table in front of you?
24 Do you have it, Mr. Sansoucy?

1 A Okay. I'm with you.

2 Q So what you have in front of you is your summary
3 table for the town of Dunbarton, and you did a
4 similar table for each of those other towns that
5 we were just talking about, correct?

6 A Yes, sir.

7 Q And each of those other tables for the other
8 towns were done the same way?

9 A Yes.

10 Q Let me look at the table first, and then I'm
11 going to ask you about a couple of the tax cards
12 supporting this table. The title of this is
13 Diminution Due to Power Line Easements Included,
14 right?

15 A That's correct.

16 Q And then if you look at columns, you have a
17 number of different properties and these are
18 properties that are encumbered by transmission
19 corridor, correct?

20 A Either encumbered or near or by but generally
21 they're encumbered by.

22 Q I will represent to you that with regard to the
23 Town of Dunbarton, there is not one card that
24 shows that it is not encumbered by the easement.

1 A They're encumbered by. That's correct. Yes,
2 sir.

3 Q If you look at Column E, it says mass market
4 value, mass appraisal market value before
5 easement adjustments, and then Column F is after
6 the adjustments, correct?

7 A Correct.

8 Q So what this table, you're trying to show by
9 this table is what you have categorized as
10 adjustments due to the easement, meaning the
11 corridor.

12 A We say easement included, but I think we're
13 taking the total set of adjustments.

14 Q Well, look at Column E. It says before easement
15 adjustments. So I understand what you're saying
16 there is all of the adjustments due to
17 easements.

18 A Correct.

19 Q Due to the corridor easement, correct?

20 A Correct.

21 Q And then this table tallies it all.

22 A Say again, sir?

23 Q This table then tallies all of the adjustments
24 in Column E and F and the difference in Column

1 G. So, in other words, all the adjustments
2 based on the easements as you have represented
3 in this table.

4 A Correct.

5 Q And the last page, Dawn, which is the fifth
6 page, you see the total, and you have a total
7 here of \$4,280,010. Do you see that?

8 A I actually have 1.6 million.

9 Q I'm sorry. If you look at the bottom, the
10 bottom row, right? Total of all property
11 parcels. It's on your screen as well,
12 Mr. Sansoucy.

13 A I see it, but my copy is different than yours
14 because I have 9.6 million 8.040 and 1,609,200.

15 Q Did you revise this table at some point? This
16 was what was produced to us in discovery, and
17 you can see the Bates stamp at the bottom as a
18 discovery number.

19 A Well, I have my record copy that was produced as
20 part of the report.

21 MS. PACIK: I'm not quite sure where the
22 confusion is, but Sansoucy Exhibit 39 is this
23 chart which has different numbers.

24 MR. WALKER: So I may be using one that was

1 provided in discovery, and it sounds like it's
2 been revised.

3 MR. IACOPINO: Sansoucy 39, at least that's
4 been provided to the Committee, only has columns
5 A through F, and F is a net change column. I
6 don't know.

7 MS. WEATHERSBY: Missing column C.

8 MR. WALKER: Can you pull up Exhibit 39,
9 please, Dawn?

10 PRESIDING OFFICER HONIGBERG: Let's go off
11 the record and get this sorted out.

12 (Discussion off the record)

13 PRESIDING OFFICER HONIGBERG: We're going
14 to take this opportunity to break now for the
15 evening. Mr. Walker will resume his questioning
16 in the morning, and then the Committee will have
17 an opportunity to ask questions, and then
18 whatever necessary redirect will follow that.

19 So with that, we'll adjourn, and start
20 again tomorrow morning at 9.

21 (Hearing recessed at 5:27 p.m.)

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C E R T I F I C A T E

1
2 I, Cynthia Foster, Registered Professional
3 Reporter and Licensed Court Reporter, duly authorized
4 to practice Shorthand Court Reporting in the State of
5 New Hampshire, hereby certify that the foregoing
6 pages are a true and accurate transcription of my
7 stenographic notes of the hearing for use in the
8 matter indicated on the title sheet, as to which a
9 transcript was duly ordered;

10 I further certify that I am neither
11 attorney nor counsel for, nor related to or employed
12 by any of the parties to the action in which this
13 transcript was produced, and further that I am not a
14 relative or employee of any attorney or counsel
15 employed in this case, nor am I financially
16 interested in this action.

17 Dated at West Lebanon, New Hampshire, this 27th
18 day of November, 2017.

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20 _____
Cynthia Foster, LCR
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